

## Noncompetitive Procurement

### State and Local Fiscal Recovery Funds

This information is provided by the State of Iowa Office of the Chief Information Officer to serve as a resource for subrecipients contemplating a noncompetitive contractual relationship with a contractor under a federally-funded award (NOFA 007).

Noncompetitive procurements must include adequate information to address the applicable elements below. Subrecipients may use the form provided as **Exhibit A attached**, but it is not required. The content herein serves only as a supplement to procurement requirements found at [2CFR §200.318](#). Justification for noncompetitive procurements can be found at 2 CFR 200.320(c). The acceptability of a noncompetitive procurement lies exclusively with the U.S. Department of the Treasury. **The OCIO will NOT approve noncompetitive procurements.**

**A noncompetitive procurement can be used in one or more of the following circumstances. Please note that sufficient documentation must be kept for all the circumstances.**

**1. The aggregate dollar amount does not exceed the micro-purchase threshold of \$10,000.**

- ✓ Does the aggregate dollar amount for purchases not exceed the micro-purchase threshold?
- ✓ Did you distribute micro-purchases equitably among qualified suppliers?
- ✓ Do you have documentation showing the price is considered reasonable?
- ✓ Has your external auditor given you an unqualified opinion over the last two years in accordance with [2CFR §200.520](#) and [2CFR §200.334](#) or does your company perform an annual internal institutional risk assessment to identify, mitigate, and manage financial risks?
  - If yes, the micro-purchase threshold can be raised to **\$50,000**.
  - **Must maintain documentation to be made available to the United States Treasury and/or auditors if requested.**

**2. Item Only Available Through a Single Source**

- ✓ Does independent research through internet searches or discussions with subject matter experts corroborate that the item is available only from a single source?
- ✓ Does the sole source justification demonstrate the uniqueness of items or services to be procured from the proposed contractor or vendor (e.g., compatibility or patent issues, etc.)?
- ✓ Does the request demonstrate and support how it was determined that the item or service is only available from one source (e.g., market survey results, independent agency research, patented or proprietary system)?
- ✓ Does the request demonstrate a significant need for contractor's expertise linked to the current project (e.g., knowledge of project management, responsiveness, experience of contractor personnel, and/or prior work on earlier phases of project)?

- ✗ Please note that time constraint alone does not constitute an emergency/exigent condition for the purposes of justifying a noncompetitive procurement.

### **3. Inadequate Competition**

- ✓ Does the request adequately describe the efforts to competitively contract for this item? For example, were formal requests for proposals or bids conducted and what was the nature of the responses?
- ✓ Does the request demonstrate that a cost reasonableness analysis was performed and documented to justify that the costs would reasonably reflect equal to, or better market conditions had the project been competitively procured.
- ✓ Does the request provide results of a market survey that would reflect a lack of availability or, in the alternative, explain why a survey was not conducted?
- ✓ Does the documentation include written justification explaining why the item is only available through a single source (i.e. inadequate competition), including the steps taken to make that determination?

#### **Sufficient documentation should include:**

##### **1. Conflict of Interest / Suitability / Procurement Standards**

- ✓ Does the request reflect that there is no conflict of interest between the subrecipient and the proposed contractor?
- ✓ Does the documentation reflect verification via the System for Award Management (SAM.gov) that the proposed contractor has not been prohibited from receiving federal funds?
- ✓ Does the documentation include an affirmative statement that the procurement will be completed in compliance with the organization's procurement policies and the procurement standards outlined in the Uniform Guidance, including the required contract provisions?

##### **2. Documentation and Approvals**

- ✓ Does the request contain a detailed written justification for the noncompetitive contract?
- ✓ Does the written justification contain evidence of review and approval by those charged with governance (Stakeholders, Council, Board of Directors, Senior Management)?

#### **Resources**

- [Technical Assistance | Office of the Chief Information Officer \(iowa.gov\)](#)
- <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>
- Please submit questions through the Correspondence portal in IowaGrants.gov.

*Noncompetitive Procurement Form - Continued*

Exhibit A - Noncompetitive Procurement Form

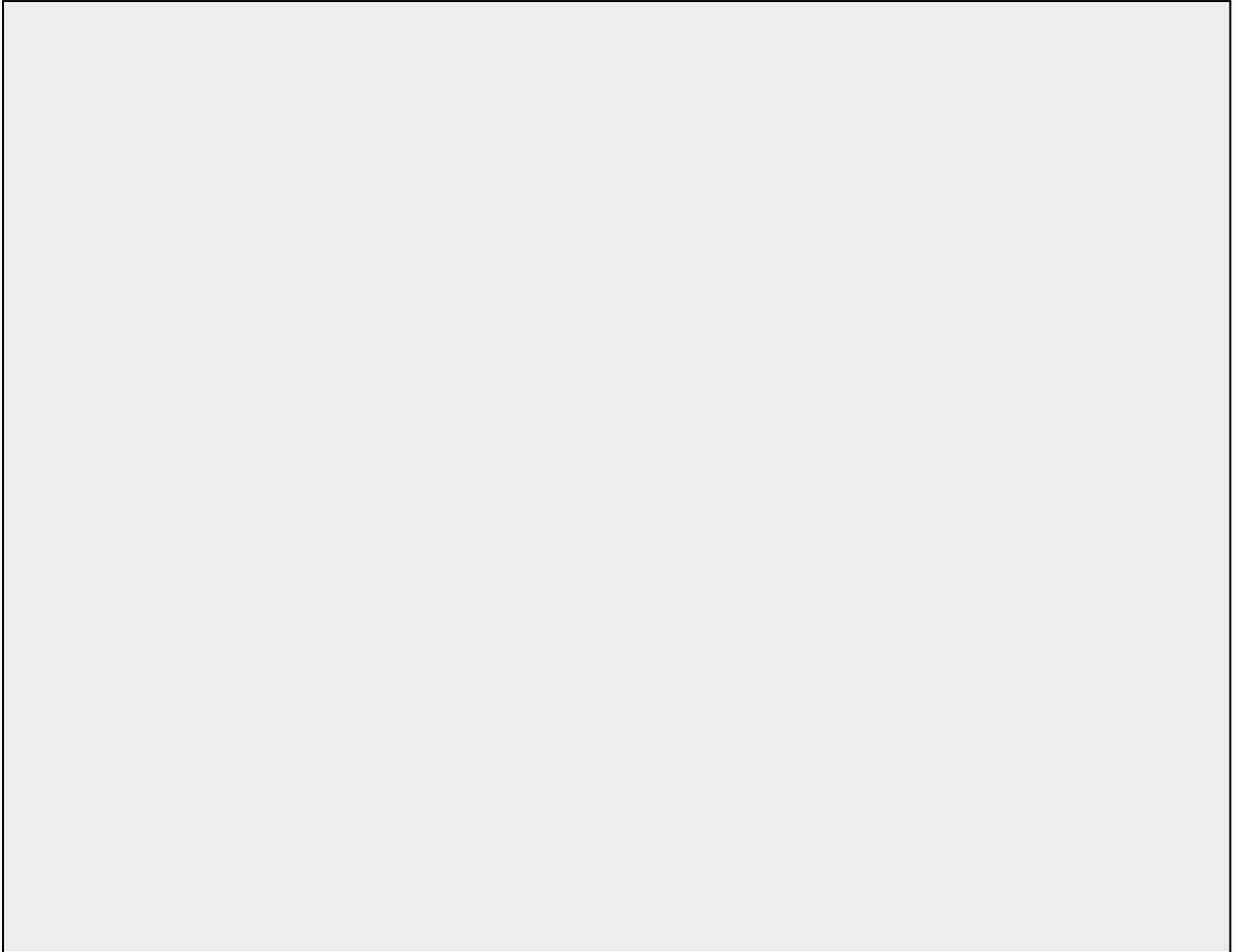
**Keep this form with supporting documentation**

Subrecipient Name	
Grant ID	
Date	
Value of noncompetitive contract	
Scope of noncompetitive contract	
Name of contractor	

1. Describe the facts and circumstances which led to the subrecipient's determination that the non- competitive contract is justified. (e.g., Internet research, publications, market evaluation, consultations). **List all sources consulted to determine that no other source exists for similar products/services capable of meeting the procurement requirements.** *Please limit your response to 500 words.*

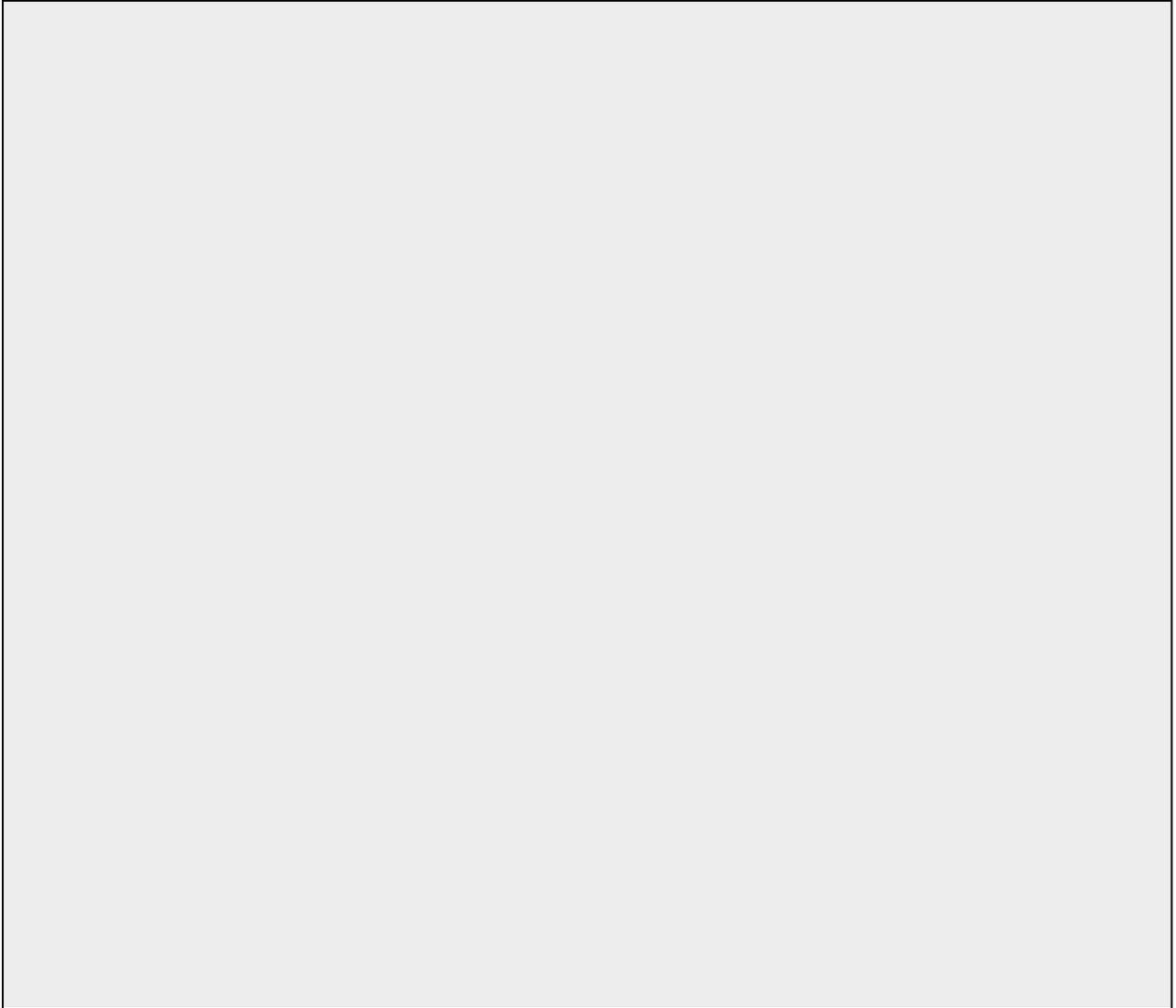
*Noncompetitive Procurement Form - Continued*

2. Describe activities performed by the subrecipient to determine that costs associated with the non-competitive contract are fair and reasonable (e.g., independent cost estimate, research, experience). *Please limit your response to 500 words.*



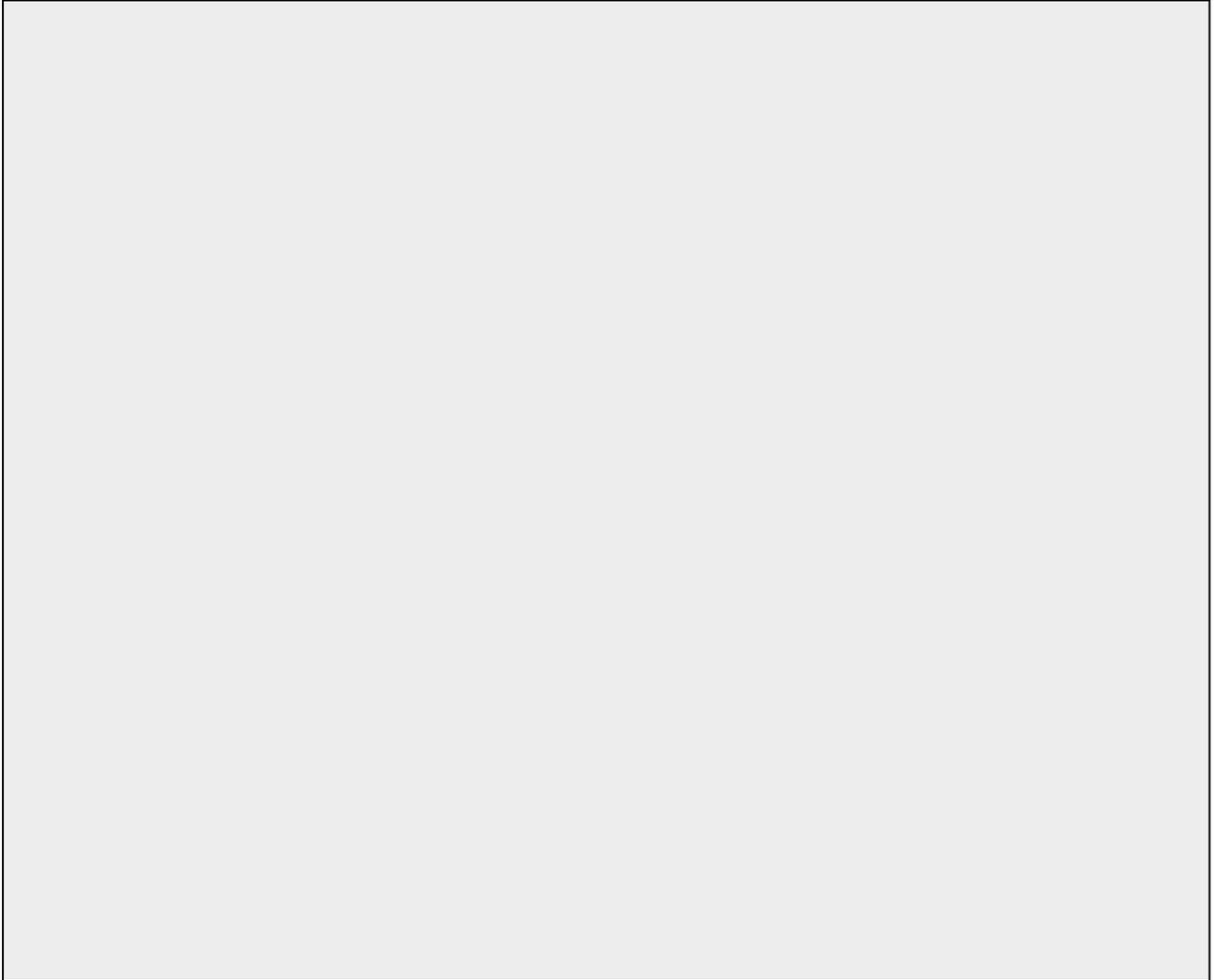
*Noncompetitive Procurement Form - Continued*

3. Describe procedures performed by the subrecipient to confirm that no conflicts of interest exist between the contractor and the subrecipient and / or its key stakeholders. *Please limit your response to 500 words.*



*Noncompetitive Procurement Form - Continued*

4. Describe the process by which the subrecipient obtained approval for the noncompetitive contract by those charged with governance at the subrecipient's organization (e.g., Stakeholders, Council, Board of Directors, Senior Management). Please include a link or an attachment to your noncompetitive procurement justification evidencing approvals obtained. *Please limit your response to 500 words.*



*Noncompetitive Procurement Form - Continued*

5. Describe any other diligence performed by the subrecipient in justifying acquisition of the noncompetitive contract. *Please limit your response to 500 words.*

