



Uniform Guidance M/WBE Requirements for NC Local Governments

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UNC
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UNIFORM GUIDANCE (UG) OVERVIEW



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Part III

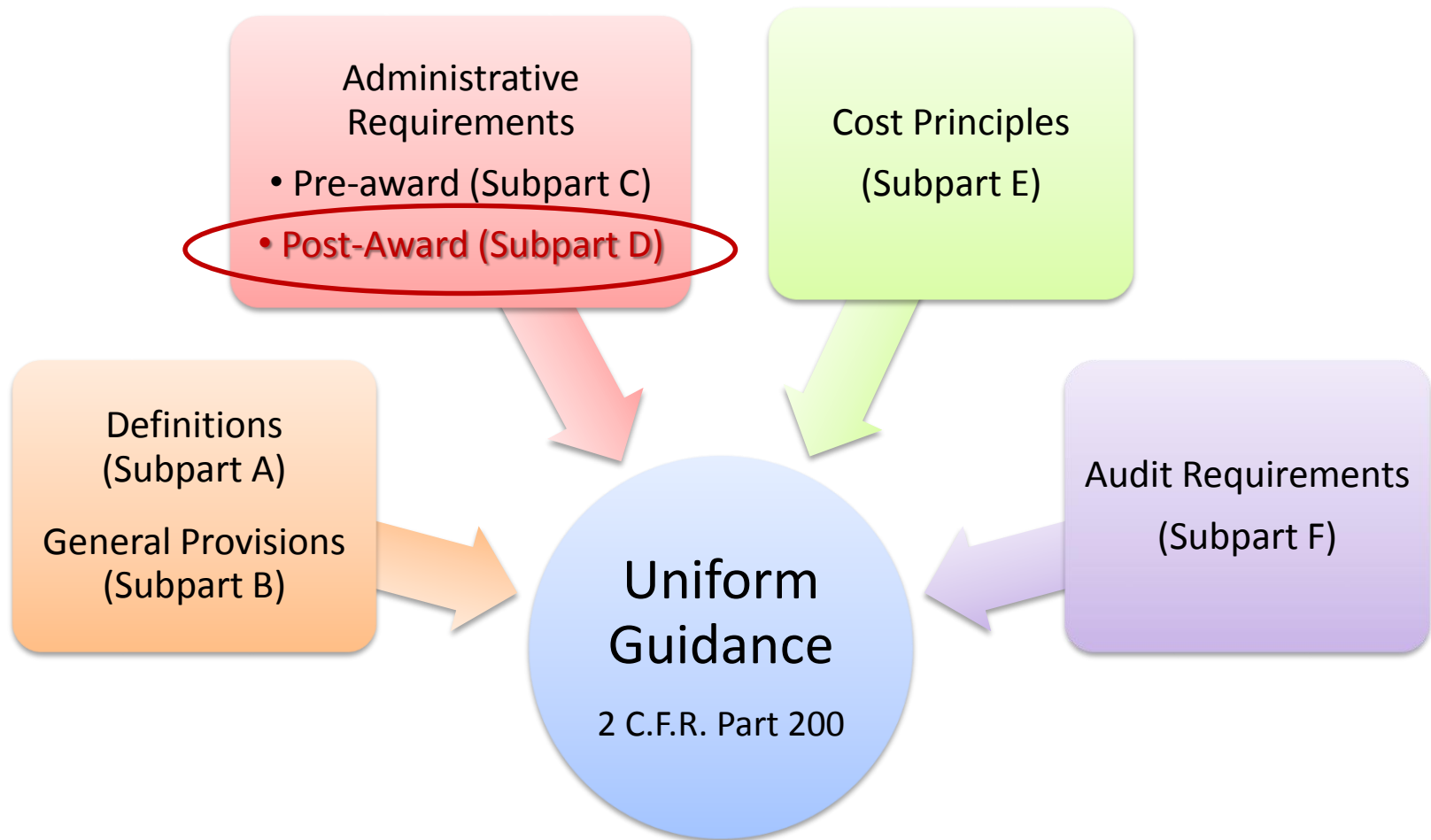
Office of Management and Budget

2 CFR Chapter I, Chapter II, Part 200, et al.
Uniform Administrative Requirements, Cost Principles, and Audit
Requirements for Federal Awards; Final Rule

What is the Uniform Guidance?

- Rules that set uniform standards for the award and expenditure of federal financial assistance (grants and loans)
- UG supersedes previous rules/OMB Circulars (ex: A-102, A-133)
- UG codified at 2 C.F.R. Part 200
- Procurement standards codified at 2 C.F.R. Subpart D (§§ 200.317-326)

What is the Uniform Guidance?



What is the Uniform Guidance?



Post-Award Requirements (Subpart D)

1. Financial and Program Management Standards
2. Property Standards
3. **Procurement Standards**
4. Performance and Financial Monitoring and Reporting
5. Record Retention and Access
6. Remedies for Noncompliance
7. Closeout
8. Post-closeout adjustment and continuing responsibilities
9. Collection of Amounts Due

Who Does the UG Apply To?

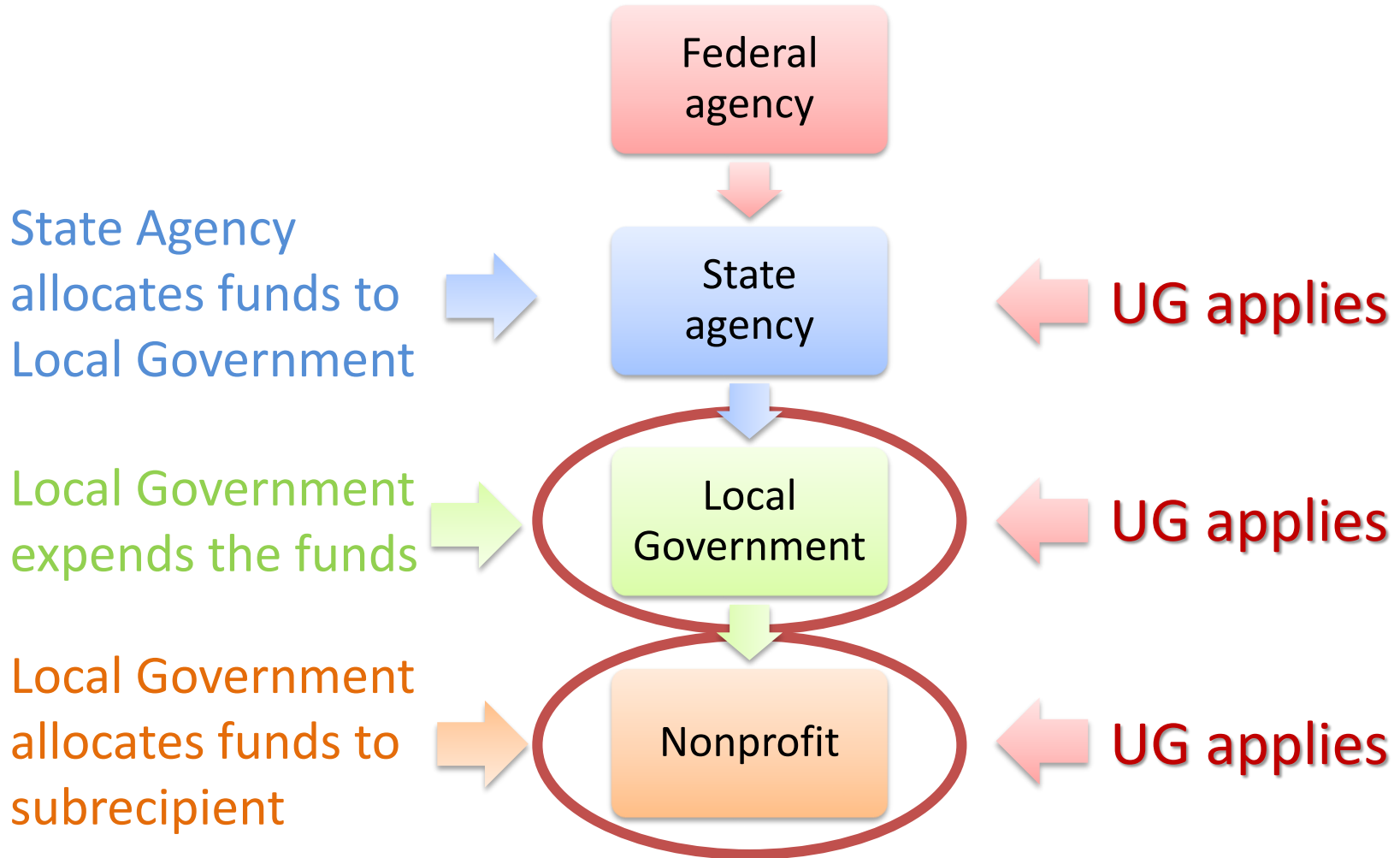
“Non-federal entities” that receive federal financial assistance – states, nonprofits, Indian Tribes, universities and colleges, and local governments



- ✓ City and County
- ✓ School District
- ✓ Public Authority and Special District
- ✓ Council of Government
- ✓ Any other “political subdivision”

Who Does the UG Apply To?

Recipients *and all subrecipients* are covered



Which Programs are Covered?

- UG applies to most (but not all) categories of federal financial assistance programs
- Not all federal programs are covered
- Not all parts of the UG apply to all categories of covered funds

**ASSUME THE UG APPLIES UNLESS THE
GRANTOR AGENCY ADVISES OTHERWISE -
CHECK WITH YOUR GRANTOR AGENCY!**



FEMA

When Does the UG Become Effective?

Grace period for implementing new
requirements ends
on your first FYE after 12/25/2017



Example:

If your fiscal year ends
6/30/2018, UG requirements
apply 7/1/2018

Why Is This Important?



Funding

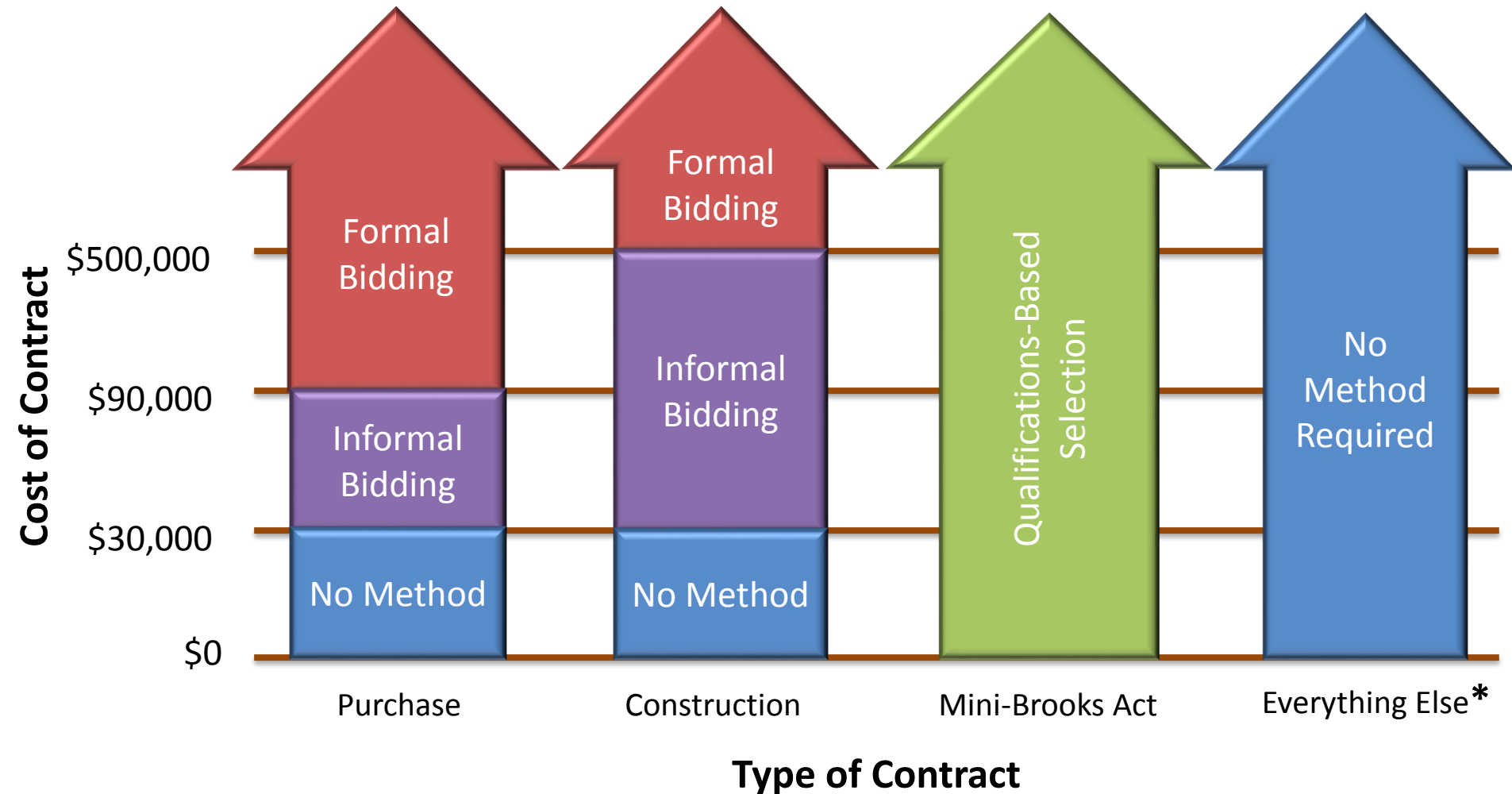
- ☐ Obligated Funds
- ☒ Deobligate Funds
- ☐ No Change to Funding

Noncompliance with state
and federal procurement
requirements most
common reason for
sanctions

Sanctions & Consequences

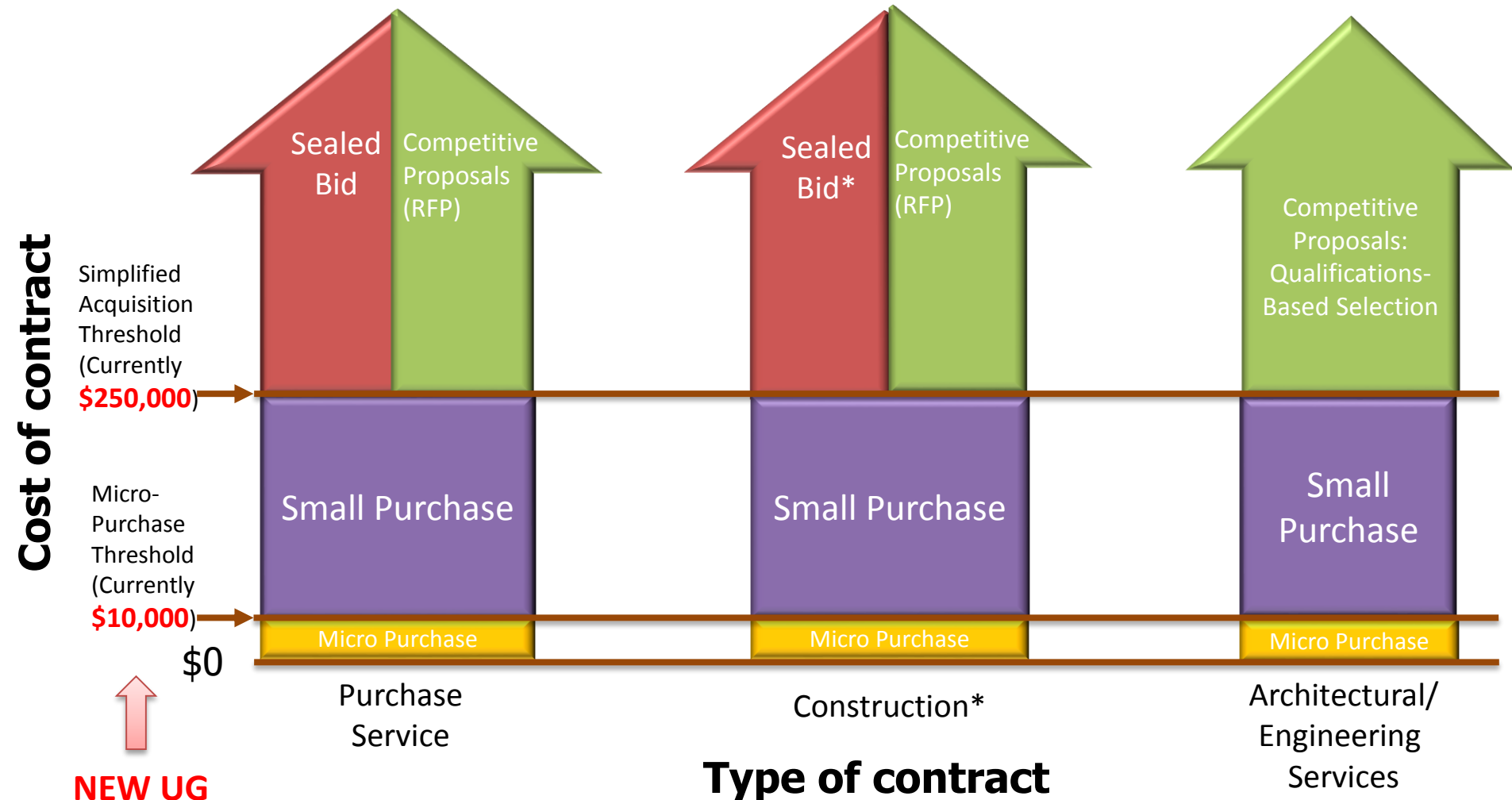


Procurement Methods – State Law



* Optional: May use **request for proposals** for service contracts or information technology purchases or services.

Procurement Methods – UG



* **Sealed bid** is preferred method for construction; may use **competitive proposals** when sealed bidding not appropriate

Which Set of Rules Do I Follow?

- Follow the “Most Restrictive Rule”
- If rules are different but neither is more restrictive than the other, follow federal rules
- Even when generally following federal rules, some specific state requirements may still apply
. . . and vice versa



UG M/WBE SOLICITATION REQUIREMENTS



M/WBE / HUB Participation

- Not a quota or set-aside
- Focuses on opportunity to *compete* for contracts
- Lowest responsive, responsible bidder standard still applies
- Non-discrimination in contract award still applies



Who is M/WBE?

Key Terms:

1. Minority Business
2. Women's Business Enterprise
3. Labor Surplus Area Firm

Terms not defined in the UG

Check federal grantor definitions

If not defined by grantor agency; follow state law definitions

Requirements

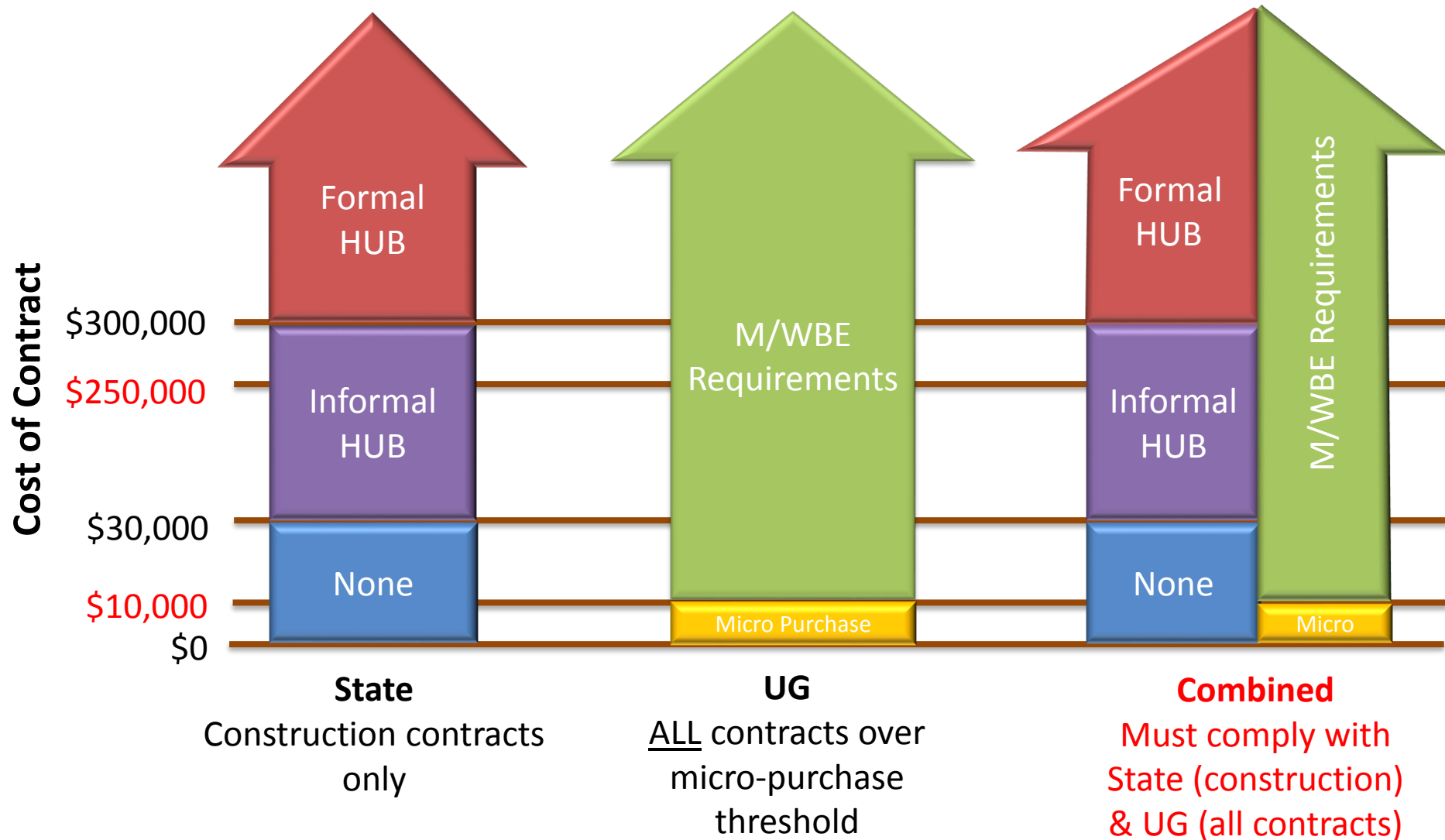
UG (M/WBE)

- ✓ Applies to All Contracts regardless of type above micro-purchase threshold (\$10,000)
- ✓ Requires 6 specific solicitation steps (UG steps similar to state HUB good faith efforts)

State (HUB)

- ✓ Local government engages in outreach efforts for all building construction contracts costing \$30,000 and above
- ✓ Require bidders to engage in good faith efforts for all building construction contracts costing \$300,000 and above

HUB and M/WBE Requirements



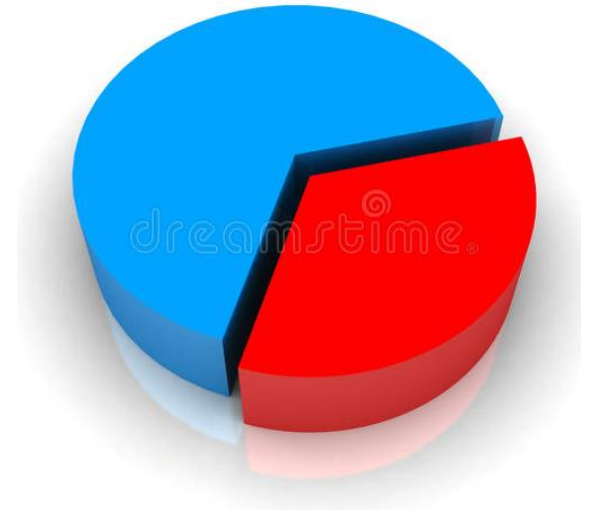
UG M/WBE Requirements

1. Put M/WBEs on bidders list
2. Include M/WBEs in bid solicitations
3. Where economically feasible, divide project into smaller contracts to encourage M/WBE participation
4. Where feasible, establish delivery schedules to accommodate M/WBEs
5. Use services of SBA, US Dept. of Commerce Minority Development Agency, and other similar agencies such as NC HUB Office
6. Require prime contractors to comply with steps 1-5 above

2 CFR § 200.321

Goals

- UG *does not* require M/WBE goals
- State law requires goals for building construction projects:
 - \$300,000 with local funds
 - \$100,000 with state funds
- Some federal programs require goals (ex: DBE goals for US DOT projects)



Documentation and Reporting

UG

- Local government must document compliance with M/WBE solicitation requirements (along with all other procurement requirements)
- Recommend requiring contractors to document their compliance
- HUB certification of firms not required for compliance

State

- Formal HUB – bidder's good faith efforts affidavits
- Local government must report to NC HUB office
- HUB certification required for credit toward local government participation goals

Resources

www.ncpurchasing.unc.edu



MICROSITE

Local Government Purchasing and Contracting

[Overview](#) [Contributors](#) [Roles / Topics](#)

The [Local Government Purchasing and Contracting](#) microsite provides information and resources about local government contracting, including competitive bidding and other legal requirements for purchasing and construction contracting. Legal resources, sample forms, tools, and publications are available at the links in the left-hand menu of this page. For information about CLGPO Certification for North Carolina local and state purchasing professionals, see our [Certifications and Organizations](#) page.

2018 PURCHASING COURSES DATES NOW AVAILABLE! Dates for SOG purchasing courses are available under the "Courses" tab. All four courses are required for CLGPO Certification. To sign up for an email notification when registration opens, click on the name of the course and, on the course

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THANK
YOU!



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