

UC SOURCE SELECTION & PRICE REASONABLENESS (SSPR) FORM — FREQUENTLY ASKED QUESTIONS —

Updated 4.2021

What are the Federal funding thresholds?

The micro-purchase threshold is \$10,000, and the Simplified Acquisition Threshold is \$250,000. The CA Public Contract Code requires the UC to bid at a lower threshold of \$100,000. However, because the stricter rule applies, the Federal bid threshold is also \$100,000 for UC. In addition, the UC can procure with small businesses and disabled veteran business enterprises up to \$250,000 with any funding source, without going out for formal bid.

How do these thresholds apply to mixed funding?

As an example: If you have a transaction around \$100,000, with \$9,000 in Federal funds and \$91,000 in State funds, you would only have to adhere to State law. In other words, if it's over \$100,000, you would bid, and if it's under \$100,000 you wouldn't have to bid (although it's always a good idea). But, if the Federal funds portion is over the \$10,000 threshold, you must adhere to Federal requirements for the whole transaction.

Is the \$100,000 threshold an annual amount or per agreement? What if it is a 3- or 5-year agreement?

For Federal funds, if you know the total contract will be over the \$100,000 threshold, even if the contract stretches over multiple years and is under \$100k annually, the transaction should still be treated as over the \$100,000 threshold and subject to Uniform Guidance and FAR. The procedures for non-Federally funded transactions under \$100,000 has not changed.

Using the example of a 5-year contract with \$25k per year in expense, UG says because the overall contract would be greater than \$100k, it should be bid and the SSPR form should be used. But, Bus-43 states that our bid requirement is "annual expenditures greater than 100k." So, as an expenditure under \$100k or more annually, our policy does not compel a bid. How do we manage competing requirements between UG, FAR and Bus-43?

The UG and FAR allow non-Federal entities to use our own policies, but only to the extent they comport with Federal requirements. In other words, BUS-43 does not trump Federal regulations. If a non-Federal entity knows they are purchasing a good or service over the competitive bid threshold, then we need to treat it as such. The Simplified Acquisition Threshold does not limit the transaction dollar value to a time value – it is an "anticipated value" when using Federal funds.

How does the SSPR Form work for multi-year system wide contracts, like Fisher Scientific/VWR? Is a Form required for each and every transaction which meets the Federal fund \$10k threshold?

Yes, the form is required for each transaction to document for the government how the purchase was made. While UG and FAR support the use of competitively bid blanket contracts, the requirement to document each transaction is required by UG and FAR as part of the terms and conditions of the Federal award.

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Is the SSPR Form required for catalog transactions that exceed the \$10k Federal fund threshold?

Yes, the form is still required as noted above. Your eProcurement system can route orders based on account string, vendor, or dollar amount. Alternatively, your campus may opt for another option for documenting the purchases.

Is it recommended that Campus departments document Source Selection and Price Reasonableness for under \$100,000 (non-Federal) and under \$10,000 (Federal), even though it's not required?

*That is a campus decision. Some campuses continue to document all purchases under \$100,000 though it is **not** required by the State, or purchases under \$10,000 though it is **not** required Federally.*

In situations where campus funds are being used up front, and then later being transferred to Federal funds (such as using a RAS or a TOE), would the FAR or Uniform Guidance apply?

Yes, in any case where Federal funds are being used – either upfront or later when the funds come in – federal purchase requirements would apply.

Is this form needed for internal use of funds, like recharges between campus departments?

No, you do not need to use this form for internal use, only with outside vendors.

Will requiring a department signature on the SSPR Form prevent POs from being approved in a timely manner?

The person responsible for the funding on the transaction within that campus department should sign the form at the same time as they complete the form, so there should not be a delay. Departments could put together a list of account approvers to expedite the completion of the form. Electronic signatures are acceptable.

Can an assistant sign the SSPR form for a PI?

The signature is a certification of whom made the decision to work with that vendor using that account string/fund. If an assistant made that purchase decision, they can sign the form. However, to avoid fraud, the person responsible for the funding and the purchase decision must be the one to sign the form.

Does Procurement need to sign the SSPR form?

No, procurement does not need to sign it. When this form accompanies a requisition, Procurement will review the form, and validate that the information meets governmental requirements. Purchasing will not approve the requisition without having conducted this review.

How should we attach the forms?

When using the fillable PDF format, all relevant documents can be attached to the requisition as a packet. When using the form in Word(.doc) format, attach the documents to the requisition.

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Once the form is signed and approved, where should it be maintained for record-keeping? *It should be attached to the requisition in the campus eProcurement system. If your departments keep files internally, the form should be filed with the records for that transaction.*

Do PIs need to verify that change of brand, manufacturer or supplier would compromise the continuity and integrity of a project?

In the sole source description, the PI needs to describe what would happen if they did change brands and how it would impact their project, including costs, delays, etc.

Does Conflict of Interest (COI) apply to mixed funds, and does it apply to retired staff as well?

Conflict of Interest requirements apply regardless of funding source – Federal, non-Federal or mixed funding. Yes, the UC-COI policy applies to retired staff if they are the Supplier receiving funds, check BUS-43 for COI details.

Do small businesses and disabled veteran business enterprises need to be certified?

Yes, the University defines a Small Business (SB) as an independently owned and operated concern certified or certifiable as a Small Business by the California Department of General Services Office of Small Business and DVBE Services (OSDS) or by applicable government agencies, or other recognized certifying agencies or councils.

Small businesses are generally considered business organizations that are independently owned and operated, not dominant in their field of operation nationally, with principal offices located in the U.S. or its territories, depending on certifying agency, and meet specified size standards to be considered small (these are variable depending on the council or agency offering certification)

What types of small businesses or disabled veteran business enterprises are allowable?

While the funding terms (federal or state) may include specific language about the preferred types of small or diverse businesses to utilize, the overall goal of the UC, State, FAR, and Uniform Guidance is to utilize small businesses to the maximum extent possible. Check with your Supplier Diversity Coordinator <https://www.ucop.edu/procurement-services/for-suppliers/supplierdiversity/supplier-diversity-coordinators.pdf> at your campus if unsure how to proceed.

Can purchasing be limited to companies within the USA?

Though there may be advantages to limiting purchasing geographically, Federal government funding doesn't allow us to limit purchasing to the US, unless overseas companies cannot meet particular specifications of a project (such as data security or necessary response time requirements, etc.).

Is the SSPR form required for Facility Manual Contracts or any Construction?

No; the SSPR form is only required for the Procurement of non-construction goods and services.