



Jim Haining <jhaining@gmail.com>

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## REVISED REMINDER: Deadline for a new Procurement Policy

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To: jhaining@gmail.com

Mon, Nov 16, 2015 at 12:38 PM



Housing Agency Procurement Assistance

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Dear Procurement Professionals,

I have become aware of some new information pertaining to the above noted issue; to wit:

A little less than a week ago, on November 10, 2015, I issued the following reminder to update your procurement policy to implement the HUD-mandated transition for procurement activities from 24 CFR 85.36 to 2 CFR 200.317 through 200.326. Therein I stated that the deadline to do so was this December 31, 2015. I have since received notice from several sources, including HUD folks, that this deadline has been extended. Rather than trying to explain the details of the extension (the language following allows a different deadline for different fiscal year ends), I have simply posted the language immediately following. In any case, the December, 2015 deadline is extended.

"Effective Dates and Grace Period for Procurement \*\*

Will the Federal government provide a grace period after the effective date for non-Federal entities to comply with the procurement standards in the Uniform Guidance? Yes, for two full fiscal years after the effective date of the Uniform Guidance. In general non-Federal entities must comply with the terms and conditions of their Federal award, which will specify whether the Uniform Guidance applies. However, in light of the new procurement standards, for procurement policies and procedures, for the non-Federal entity's first full fiscal year that begins on or after December 26, 2014, the non-Federal entity must document whether it is in compliance with the old or new standard, and must meet the documented standard. For example, the second full fiscal year for a non-Federal entity with a June 30th year end would be the year ending June 30, 2017. The Single Audit Compliance Supplement will instruct auditors to review procurement policies and procedures based on the documented standard. For future fiscal years, all non-Federal entities will be required to comply fully with the uniform guidance."

This preceding language was garnered from an OMB FAQ; the link follows if you wish to view the entire document:

<https://cfo.gov/wp-content/uploads/2015/09/9.9.15-Frequently-Asked-Questions.pdf>

My further thoughts: Though with this extension your housing agency has a bit of breathing room, I still recommend that you proceed with the revision of your procurement policy ASAP so that you can take advantage of the allowable increase of the Micro Purchase level from \$2,000 to \$3,000 (though the maximum Small Purchase level has increased from \$100,000 to \$150,000, many housing agencies will not be able to take advantage of this if their State statues for local governmental agencies applies to their agency and if such applicable statutes set a lower level).

I publicly acknowledge and am very grateful for those who in response to my last notice on this issue made me aware of this extension information.

As always, I hope that this information is of a help.  
Regards,

**Michael S. Gifford, C.P.M., CPSD**  
*Housing Agency Procurement Assistance*

I have a consulting practice providing procurement- and contracts-related mentoring, training, and technical assistance to housing agencies. I help housing agencies conduct procurement and contracts in a HUD-compliant and "best practice" manner. [Click here](#) to see my full resume. Please do not hesitate to contact me if you have any questions or concerns pertaining to procurement and contracts (initial answering of questions is "no charge"). As I am either on-the-road or on the phone a lot, an initial contact by e-mail is best; please be sure to include your return telephone number (office/cellular) so that I can call you back.

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