

Procurement Policy and Finance System Changes Related to OMB A-81
Effective December 26, 2014

Competition Required for Transactions Over \$3,000 When Federal Funds are Used

1. Purchases over \$3,000 where federal funds will be used to pay for any portion of the purchase must be routed through Purchasing on a purchase requisition. These transactions cannot be paid on non-PO voucher or P-Card.
 2. Purchases cannot be split into multiple transactions or between federal and non-federal funds to stay under the \$3,000 limit.
 3. Finance System will generate a warning message if a user saves a non-PO voucher that contains a federal fund code and the total voucher amount is over \$3,000. If a PO voucher is used, a message will not be generated.
 4. Finance System will create a message to remind Buyers when a federal fund is used on a PO, so the Buyer can ensure A-81 requirements are followed.
- List of federal fund codes (see Fund Codes):
<http://www.uh.edu/finance/pages/References.htm>

PO Voucher Required to Pay Subrecipient Agreements

1. To ensure the correct account is used, all subrecipient agreements are encumbered on a PO by the Office of Contracts and Grants (PO Business Unit RC730) and all payments must be made on a PO voucher.
 2. Finance System will generate an error message if a non-PO voucher is created with a subrecipient account number.
- Subrecipient accounts are from 53800 to 53849.

P-Card Default Cost Center

1. Cost centers with Project IDs starting with “G” or “C” (i.e., grant cost centers) cannot be used as a default cost center because they expire and unallocated P-Card charges should not be placed on these cost centers.

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When a Purchase Order is Required (from MAPP 04.01.01)

Type of Good or Service	Dollar Amount	Funds Used	Requisition Created By	Purchase Order Created By	Additional Backup to Requisition or PO	PO Business Unit
Equipment lease or maintenance agreements	All	All	Department	Purchasing	Lease or maintenance agreement	00730 or 00783
Radioactive materials, x-ray machines, Class 3b and 4 lasers, biological safety cabinets, and other hazardous materials	All	All	Department	Purchasing	Addendum B	00730 or 00783
Vehicles, including golf carts	All	All	Department	Purchasing	Addendum B	00730 or 00783
Subrecipient agreements for sponsored projects	All	All	N/A	Office of Contracts and Grants	Subrecipient agreement	RC730 or RC783
Independent contractor agreements for sponsored projects	All	All	Department	Office of Contracts and Grants	Contract	RC730 or RC783
Facilities contracts for construction, renovation, repair, and maintenance	All	All	N/A	Plant Operations	Contract	FP730 or FP783
All other contracted services	Over \$10,000	All	Department	Purchasing	Contract	CN730 or CN783
All other goods and services not placed on a contract	Over \$100,000	All	Department	Purchasing	Addendum C	00730 or 00783
All other goods and services not placed on a contract	Over \$5,000	Non-federal funds	Department	Purchasing		00730 or 00783
All other goods and services not placed on a contract	Over \$3,000	Federal funds	Department	Purchasing		00730 or 00783

Policies Updated

- MAPP 04.01.01, Purchase of Goods, Materials, and Supplies through the Purchasing Department
- MAPP 04.01.03, Vouchers
- MAPP 04.01.11, Procurement Cards (P-Card Guidelines)