Who is considered a subrecipient?

A subrecipient is a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a federal program. It does not include an individual who is a program beneficiary. A subrecipient may also hold other Federal awards directly (2 CFR 200.93).

Who do I contact with procurement or reimbursement questions?

- Reimbursement Questions: Please submit any reimbursement questions to your dedicated Case Manager
- Procurement Questions: Submit procurement questions by creating a procurement request form and note “not started” as the status of your procurement. A BDO GS team member will reach out to you following receipt of your request.

B • Procurement Guidance

Which federal procurement rules apply to me?

All AR RHTP subrecipients must follow the Federal procurement standards in 2 CFR 200.317 through 200.327.

What if I am also subject to Arkansas State procurement law?

If your entity is subject to Arkansas State procurement law, you must follow the more stringent of the two standards. This commonly applies to entities such as state hospitals. Non-profit and other non-Federal entities are subject to Federal standards only. If you are unsure which standard applies, contact BDO GS. Entities that are owned by local or state governments are subject to Arkansas procurement rules for purchases of equipment and/or commodities. Governmental entities are subject to federal procurement for professional services contracts funded with any amount of federal funds.

What are the Federal Procurement Thresholds?

The procurement method depends on the value of the purchase. The thresholds discussed in the training for private nonprofit entities are:

Purchase Value	Procurement Method	Key Requirements
Up to $15,000	Micro-purchase	No quotes required; prices must be reasonable; distribute purchases equitably; do not split purchases
$15,000.01 to $350,000	Simplified acquisition	Competition required; public notice recommended; minimum of 3 quotes recommended; do not split a larger purchase
$350,000.01 and above	Sealed bids or competitive proposals	Public advertisement; bid tab or scoring sheets; bonds where required; executed contract

When are sealed bids required, and when are competitive proposals appropriate?

- Sealed bids: bids are publicly solicited; the contract is awarded to the lowest responsible bidder. When possible, two or more responsible bidders are needed, and justification is required if the lowest bidder is not selected or only one bid is received.
- Competitive proposals: typical for professional services; proposals are evaluated and awarded

to the most qualified entity; the evaluation process and criteria must be clear in the Request for Proposals; price must be an evaluation factor.

May I use sole-source or emergency procurement?

Noncompetitive procurement is the least desirable method. Sole source procurement is permitted under 2 CFR 200.320(c)only in limited circumstances. It is one of the noncompetitive procurement methods, and it is the least preferred method available to you. A sole source procurement is appropriate only when one of the following conditions is genuinely met:

- The item is available from only one source.
- A public exigency or emergency exists that will not permit a delay resulting from competitive solicitation.
- The awarding agency expressly authorizes noncompetitive procurement in response to a written request.
- Competition is determined to be inadequate after solicitation of a number of sources.

Prior written approval is required. You must seek Agency approval through BDO GS before using sole source or emergency procedures. Submit Sole Source form to your dedicated Case Manager that details the justification for use of sole source procurement.

The justification must be documented. All efforts must be fully documented, and you must provide a memorandum outlining why the procurement could only be performed by a sole source. Costs must still be reasonable regardless of the method used.

This method is to be used sparingly. The standard is narrow, and the facts must establish that only one source can perform the work or provide the item. Document the market research you conducted, the sources you considered, and why each alternative was unable to meet the requirement. Preference for a particular vendor does not support sole source procurement. Wanting to continue with an incumbent provider, being familiar with a vendor, having a prior relationship, or believing a specific vendor is the best or easiest choice, not valid basis for a noncompetitive award.
Those preferences must be set aside in favor of the competition the Federal standards require.

If you believe sole source procurement may apply to your purchase, send a memorandum as part of your procurement review documentation submission. This memorandum should outline the following:

- A description of the goods or services and the estimated value
- The specific condition under 2 CFR 200.320(c) you believe applies
- An explanation of why only one source can meet the requirement
- The market research and sources you considered

- An explanation of why each alternative source was unable to meet the requirement
- The proposed price and the basis for determining it is reasonable

Are time-and-material and cost-plus contracts allowed?

- Time-and-material contracts are allowed only when no other contract type is suitable, and the contract contains a not-to-exceed ceiling that is not set so high as to be meaningless (2 CFR 200.318(j)).
- Cost-plus-percentage-of-cost and cost-plus-a-percentage-of-construction-cost contracting methods are prohibited. Adding a ceiling price does not make these contracts acceptable (2 CFR 200.324(c)).

C • MBE/WBE Affirmative Outreach

What does Federal law require for minority- and women-owned businesses?

For all purchases above the micro-purchase threshold, Federal law requires affirmative steps to include minority- and women-owned business enterprises and other covered business types as outlined in 2 CFR 200.321(b). Covered businesses include certified women-owned businesses, certified minority-owned businesses, qualified small businesses, veteran-owned businesses, and labor surplus area firms.

What are the required affirmative steps?

- Include these businesses on solicitation lists.
- Ensure they are solicited whenever they are deemed eligible potential sources.
- Divide requirements when feasible to permit maximum participation.
- Establish delivery schedules that encourage participation.
- Use organizations such as the Small Business Administration and the Minority Business Development Agency.
- Require a prime contractor to take the same steps when subcontracting.

Does the requirement mean I must select a minority- or women-owned vendor?

No. The regulation requires affirmative consideration and outreach when possible. It does not require selection of a vendor solely because of its status as a covered entity. Awards must still follow the applicable procurement method and be based on the solicitation's stated requirements and evaluation factors.

How does a non-governmental subrecipient satisfy the outreach requirement?

A non-governmental subrecipient can demonstrate affirmative outreach by searching appropriate vendor databases, identifying potential vendors, and sending the solicitation directly to those vendors. Follow these steps:

- Identify the goods or services needed, relevant keywords, applicable NAICS codes, service location, and minimum vendor qualifications before issuing the solicitation.
- Search the Arkansas Minority Business Registry maintained through the AR Secretary of State's

office using filters such as ownership status, business name, city, county, NAICS code, keyword, or other certification.

- Search the federal SBA Small Business Search for additional qualified small or certified businesses.
- Create a list of vendors that appear reasonably capable and eligible based on the procurement requirements.
- Send the complete solicitation directly to those vendors. Each vendor should receive the same scope, specifications, submission instructions, deadline, and contact information provided to other potential sources.
- Allow a reasonable response period and answer vendor questions consistently.
- Evaluate all quotes, bids, or proposals using the procurement's stated requirements and applicable rules.
- Retain documentation of the databases searched, search criteria used, vendors identified, solicitation distribution, responses received, evaluation, and award decision.
    - Arkansas Minority & Women Owned Business: https://portal.arkansas.gov/state_agencies/arkansas-economic-development-commission/small-and-minority-business/
    - AR Secretary of State's office: https://sos-corp-search.ark.org/index.php
    - SBA Small Business Search: https://search.certifications.sba.gov/

A database listing is a sourcing tool. The subrecipient remains responsible for determining whether a vendor meets the solicitation requirements and for following the applicable procurement process.

Does affirmative outreach apply to small purchases and purchases at simplified acquisition threshold levels?

Yes. Affirmative outreach under 2 CFR 200.321 still applies at the small-purchase and quote level as well as the simplified acquisition threshold.

What documentation should I keep for affirmative outreach?

- Copy of the solicitation and any amendments.
- Procurement method and applicable threshold determination.
- Screenshots, exports, or dated search records from the AR Secretary of State's office and SBA databases.
- Search terms, NAICS codes, location filters, and ownership or certification filters used.

- List of vendors identified for outreach.
- Copies of solicitation emails, delivery confirmations, or distribution reports.
- Vendor questions and responses, when applicable.
- Quotes, bids, or proposals received, including any no-bid responses.
- Evaluation and award documentation showing the stated selection basis.
- Contract clause requiring application of 2 CFR 200.321 to applicable subcontracts.
- Written explanation when no qualified vendors were identified or no responses were received.

D • Group Purchasing Organization (GPO) Purchases

May I use a group purchasing organization to procure goods or services with RHTP funds?

Yes, but Federal procurement requirements must still be met. If you plan to use a GPO, you must submit and maintain sufficient documentation demonstrating that the procurement was conducted in accordance with applicable requirements and that the resulting price was reasonable.

What documentation is required for each GPO purchase?

- The GPO solicitation and evidence that the solicitation was publicly advertised for an adequate amount of time and available to an adequate number of qualified sources.
- Documentation of affirmative steps taken by the GPO, when possible, to provide opportunities to small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms (2 CFR 200.321).
- The rationale for using the GPO and the basis for selecting the contract or vendor.
- Documentation supporting the contract price, such as a bid tabulation or evaluation/scoring of cost when a Request for Proposals was utilized by the GPO.
- An independent cost estimate done by the subrecipient when the cost is anticipated to exceed $350,000 for private and nonprofit entities, or $75,000 for governmental entities.
- Documentation demonstrating that the selected vendor is responsible and is not excluded or disqualified from participating in federally funded transactions.
- The vendor's written agreement that the applicable Federal contract provisions in 2 CFR 200 Appendix II will govern the purchase.
- The executed GPO agreement and any related modifications, and the subrecipient's contract or purchase order.

Are general GPO policy documents enough?

No. The supporting documentation must relate to the particular solicitation, contract, vendor selection, pricing, and Federal award requirements applicable to the purchase. General GPO policy or participation and member agreements alone are not sufficient.

How should I submit a GPO procurement for review?

Subrecipients are strongly encouraged to use the Procurement Request Form in the portal. Subrecipients will then be provided with a checklist specific to their entity type. Contact your dedicated Case Manager with questions about documentation required for a specific GPO purchase.

Procurement Request Form:
https://app.smartsheet.com/b/form/01a08d3058267e6b89236f040400fd15

E · Required Contract Provisions

Do my contracts need Federal clauses?

Yes. All contracts must include the applicable provisions in Appendix II to 2 CFR Part 200. This applies to every executed contract where any amount of Federal funding pays for the goods or services. If you do not have an executed contract and are instead using a purchase order, you should execute an amendment that includes the required contract provisions and attach it to the purchase order.

Which clauses apply, and at what dollar thresholds?

Required Provision	Applies To
Remedies for contractor violations or breaches	Contracts over $350,000
Termination for convenience	Contracts over $10,000
Equal Employment Opportunity	All construction contracts
Copeland Anti-Kickback Act	Construction contracts over $2,000
Davis-Bacon Act	Construction contracts over $2,000
Contract Work Hours and Safety Standards Act	Contracts over $100,000

Required Provision	Applies To
Clean Air Act and Federal Water Pollution Control Act	Contracts over $150,000
Domestic preferences (2 CFR 200.322)	Construction contracts involving iron, steel, or construction materials over $15,000
Debarment and suspension	All contracts (clause or certification is sufficient)
Byrd Anti-Lobbying Amendment	Contracts over $100,000 (certification required)

These thresholds and clause descriptions summarize the training materials. Confirm the exact version of each provision against Appendix II to 2 CFR Part 200 before you execute a contract.

F • Submitting Procurement Documentation

How and when do I submit procurement documentation?

- All subrecipients must submit required procurement documentation in the AR RHTP Procurement Portal only. Do not submit procurement documentation by email.
- Procurement documentation must be submitted within 10 calendar days of execution of a contract.
- Complete documentation must be submitted timely for reimbursements to be processed.

What documentation is required at each threshold?

Purchase Type	Documentation Required
Micro-purchases (up to $15,000)	Documentation showing that prices were determined to be reasonable based on research, experience, purchase history, or other information. Competitive solicitation is not required.
Small purchases ($15,000.01 to $350,000)	Public notice recommended; minimum of 3 quotes recommended; MBE/WBE outreach; all quotes received; executed contract or purchase order with the applicable Appendix II provisions.

Purchase Type	Documentation Required
Purchases over the simplified acquisition threshold ($350,000.01 and above)	Public advertisement; MBE/WBE outreach; all bids or proposals received; bid tab or scoring sheets; bid bond where required; performance and payment bonds where required; executed contract with the applicable Appendix II provisions.

What does the procurement review process look like?

- Step 1: Request a review of the procurement.
- Step 2: Receive a Procurement ID.
- Step 3: Complete the required checklist.
- Step 4: Receive final approval.

Do not proceed with the procurement before receiving approval. A complete procurement file must be submitted and approved before a related reimbursement will be paid.

G · Reimbursement Requests

What documents must I have in place before I receive payments?

All subrecipients must submit Procurement Policy for review and approval before receiving reimbursement payments. Please upload all Procurement Policy's to the document upload section in the reimbursement portal.

Required Procurement Policy include:

- Written policies and procedures that address all requirements of 2 CFR 200.317 through 200.327
- Conflict of interest policies
- Procurement policies
- Fraud waste and abuse policies
- Financial management policies
- Payroll policies (if awardee is requesting reimbursement for payroll)

When can I submit a reimbursement request?

Incurred costs must be submitted **on a monthly basis** through the portal at apply.arkansasrhtp.com.

What is the monthly reimbursement timeline?

- Reimbursement requests must be submitted no later than **the last business day of each month**, with all required documentation, to be included in that month's upload to DF&A.

Is there anything I must do to receive payment?

Yes. All subrecipients must be registered with AASIS to receive payment in this program. Also confirm that you have previously provided all procurement documentation substantiating the underlying contract associated with each invoice.

What counts as sufficient documentation for a reimbursement?

- The complete procurement file must have been previously submitted and approved before reimbursement is paid for that procurement.
- A copy of the invoice or purchase order tied to the line item or items in the reimbursement request.
- Proof of payment for the line item or items in the reimbursement request.

Who is authorized to submit reimbursement requests?

The individual(s) who listed on the portal account has access to submit reimbursement and procurement documentation.

How do I submit a reimbursement request?

- Enter the portal and open the approved award by selecting View/Manage on the application.
- Select the Reimbursements tab. The four available tabs are Summary, Documents, Reimbursements, and Procurement.
- Review the funding summary: Total Approved, Reimbursement Requested, Paid, and Available.
- Select New Request and complete the reimbursement table, adding one line per item money was spent on regardless of budget category.
- Use + Add another line to add additional line-item expenses or select the plus sign next to a budget category to add a line-item expense there.
- Upload documentation to each line item.
- Leave a Request Note, upload any other supporting documents, and press Submit Request to begin review. You may also Save as Draft if changes are still needed.

Can I receive an advance instead of reimbursement?

Payments under AR RHTP are made on a reimbursement basis in most cases. A subrecipient may request a modified payment process in the form of a controlled advance by submitting the required request form to your dedicated case manager. Advances are approved on a very limited controlled basis and are the exception, not the norm.

What must a controlled advance request include?

- A formal request using the required controlled advance request form.
- Justification demonstrating why an advance is necessary.
- A detailed description of the expenditures the advance will fund.
- A description of anticipated consequences if the advance is not approved.
- The organization's current available, unrestricted cash balance for operations.
- How many months of operating expenses could the organization cover with available unrestricted cash reserves.
- Whether the organization explored other funding sources to bridge project costs until reimbursement.

- Resources available to bridge funding gaps.
- Whether a procurement is required for the expenses.

What are the controlled advance requirements after approval?

- Pay approved expenses with the advance within 3 business days.
- Submit proof of payment documentation in the portal within 5 business days of payment.
- Failure to timely pay and produce payment documentation may result in termination of your grant agreement.

How are subscription-based payments reimbursed under this program?

- Subscriptions are only able to be reimbursed for costs incurred during the period of performance under the grant. Costs, even if paid annually, are only reimbursable for the costs incurred during the time period from date of execution of the subaward through July 31, 2027.

H · Resources and Contact

- Application portal for procurement and reimbursement submissions: www.apply.arkansasrhtp.com
- Procurement Request Form: https://app.smartsheet.com/b/form/01a08d3058267e6b89236f040400fd15
- Program website: www.arkansasrhtp.com

> **Reminder:** When in doubt, ask BDO GS before you enter into a procurement or incur a cost. Early questions protect your reimbursement eligibility.

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