

RESOLUTION NUMBER 2018-05

A RESOLUTION OF THE LYON COUNTY BOARD OF SUPERVISORS ADOPTING THE PROCUREMENT POLICY FOR FEDERALLY and NON-FEDERALLY FUNDED PROJECTS

WHEREAS, the Lyon County receives federal and nonfederal grant funds; and

WHEREAS, Lyon County is implementing a Procurement Policy describing the procedures, and standards by which the program will be managed; and

WHEREAS, staff has prepared a procurement policy, including evaluation criteria and a code of conduct in compliance with the guidelines and requirements established for the receipt of federal funds; and

WHEREAS, said Procurement Policy is in the best interests of Lyon County for federally and non-federally funded projects;

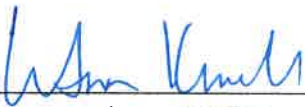
WHEREAS, the Lyon County Board of Supervisors previously adopted a Resolution outlining a procurement policy on Monday, February 12, 2018, which appeared as Resolution Number 2018-04 and the Board now wishes to rescind said Resolution and adopt the attached and forgoing resolution in its stead;

NOW THEREFORE BE IT RESOLVED that the Lyon County Board of Supervisors does hereby approve and adopt the attached Procurement Policy for all future federally and non-federally funded projects.



County Board of Supervisors Chair
Randy Bosch

ATTEST:



County Auditor, Jen Smit

Deputy

L+Ann Krull

LYON COUNTY GRANT PROCUREMENT POLICY

PURPOSE

The purpose of this Procurement Policy is to ensure that sound business judgment is utilized in all procurement transactions and that supplies, equipment, construction, and services are obtained efficiently and economically and in compliance with applicable federal law and executive orders and to ensure that all procurement transactions will be conducted in a manner that provides full and open competition.

APPLICATION

This policy applies to the procurement of all supplies, equipment, construction, and services of and for Lyon County related to the implementation and administration of the award. All procurement will be done in accordance with the applicable provisions of 2_CFR 200.317 through 200.326. This applies to all federally and to non-federally funded programs unless found in conflict with procurement procedures required in Iowa law.

GLOSSARY OF TERMS

TERM	DEFINITION
Administrative Requirements	Administrative requirements mean matters common to grants in general, such as financial management, types, and frequency of reports, procurement, and property management and retention of records.
Award	Award means financial assistance that provides support to accomplish a public purpose. Awards include grants and other agreements in the form of money or property instead of money, by the Federal government to an eligible recipient. The term does not include technical assistance, which provides services instead of money; other assistance in the form of loans, loan guarantees, interest subsidies, or insurance; direct payments of any kind to individuals; and, contracts which are required to be entered into and administered under procurement laws and regulations.
CFR	CFR means the Code of Federal Regulations where Federal regulations are cataloged.
Claim	Claim means a written demand by one of the parties to a Federal award seeking the payment of money, or an adjustment of the terms and conditions of the Federal award or other relief relating to a Federal award or a request for payment that is not in dispute when submitted.
Closeout	Closeout means the process by which a Federal awarding agency determines that all applicable administrative actions and all required work of the award was completed by the recipient and Federal awarding agency. Closeout includes many actions including final reporting for the award, disposition of property and record retention requirements.

TERM	DEFINITION
Contract	Contract means a procurement agreement under a grant or subgrant or a procurement subcontract under a contract for purchases of property or services needed to carry out the Federally sponsored project or program.
Contractor	Contractor means an entity that received a contract as defined in the Uniform Guidance Subsection §200.22 Contract.
Debarment	Debarment means a punitive action taken by a Federal agency against an award recipient or contractor. The debarment prohibits participation in procurement contracts and non-procurement transactions such as grants and cooperative agreements.
Disallowed Costs	Disallowed costs mean those charges to a Federal award that the Federal awarding agency or pass-through entity determines to be unallowable, consistent with the applicable Federal statutes, regulations, or the terms and conditions of the Federal award.
Draw Down	Drawdown means the action of requesting and receiving grant funds to cover obligated expenditures under the grant.
Excluded Parties	Excluded parties mean persons or parties who are excluded or disqualified from covered transactions such as Federal awards or contracts supported by a Federal award.
Expenditures	<p>Expenditures mean charges made to the project or program. The charges may be reported on a cash or accrual basis. For reports prepared on a cash basis, expenditures are the sum of cash disbursements for direct charges for goods and services, the amount of indirect expense charged, the value of third party in-kind contributions applied and the amount of cash advances and payments made to subrecipients.</p> <p>For reports prepared on an accrual basis, expenditures are the sum of cash disbursements for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the net increase (or decrease) in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subrecipients and other payees and other amounts becoming owed under programs for which no current services or performance are required.</p>
Grant	Grant means an award of financial assistance, including cooperative agreements, in the form of money, or property instead of money, by the Federal government to an eligible recipient. Grants do not require repayment.
Grant Life Cycle	Grant life cycle means the entire process of grant administration: applying for a grant, receiving a grant, managing a grant, and closing out a grant.
Improper Payment	Improper payment means any payment that should not have been made or that was made in an incorrect amount. Improper payments also include any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received, any payment that does not account for credit for applicable discounts, and any payment where insufficient documentation prevents a reviewer from discerning whether a payment was proper.
Internal Controls	Internal controls mean the processes implemented by the organization to provide reasonable assurance about the effectiveness and efficiency of operations, reliability of reporting for internal and external use and compliance with applicable laws and regulations so that grant resources are protected from fraud and waste.

TERM	DEFINITION
Micro-purchase	Micro-purchase means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold. The micro-purchase threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions). It is currently \$3,500 except as otherwise discussed in Subpart 2.1 of that regulation, but this threshold is periodically adjusted for inflation.
Non-Federal Entity	Non-Federal entity means a state, local government, Indian tribe, institution of higher education or nonprofit organization that administers a Federal award as a recipient or subrecipient.
Obligations	Obligations mean the amounts of orders placed, contracts and grants awarded, services received and similar transactions during a given period that require payment by the recipient during the same or a future period.
Period of Performance	Period of performance means the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award.
Programmatic Requirements	Programmatic requirements mean matters relevant on a program-by-program or grant-by-grant basis, such as kinds of activities that can be supported by grants under a particular program.
Questioned Cost	Questioned cost means a cost that is questioned by the auditor because of an audit finding which resulted from a violation or possible violation of a statute, regulation, or the terms and conditions of a Federal award, including for funds used to match Federal funds, where the costs, at the time of the audit, are not supported by adequate documentation; or where the costs incurred appear unreasonable.
Recipient	Recipient means a non-Federal entity awarded a Federal grant and held accountable for the use of the funds provided. The recipient is the entire legal entity even if only a particular component of the entity is designated in the award document.
RFP	RFP means a request for proposal from a contractor.
Selected Items of Cost	Selected items of cost mean an itemized list over of allowable costs contained 2 CFR Part 200 Subsections §200.420-200.475.
Simplified Acquisition Threshold	Simplified acquisition threshold means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908 and is currently \$150,000, but this threshold is periodically adjusted for inflation.
Subaward	Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor.
Subrecipient	Subrecipient means the legal entity to which a subaward is made and which is accountable to the recipient for the use of the funds provided. The term may include foreign or international organizations (such as agencies of the United Nations) at the discretion of the Federal awarding agency.

TERM	DEFINITION
Suspension	Suspension means: (1) Temporary withdrawal of the authority to obligate grant funds pending corrective action by the recipient or subrecipient or a decision to terminate the grant (2) An action was taken by a suspending official in accordance with agency regulations implementing E.O. 12549 to immediately exclude a person from participating in grant transactions for a period, pending completion of an investigation and such legal or debarment proceedings as may ensue. (3) An action by a Federal awarding agency that temporarily withdraws Federal sponsorship under an award, pending corrective action by the recipient or pending a decision to terminate the award by the Federal awarding agency.
Uniform Guidance	Uniform Guidance means the set of Federal regulations contained in 2 CFR Part 200, also known as the "Super Circular."
Unliquidated Obligations	Unliquidated obligations mean for financial reports prepared on a cash basis, obligations incurred by the non-Federal entity that have not been paid (liquidated). For reports prepared on an accrual expenditure basis, these are obligations incurred by the non-Federal entity for which an expenditure has not been recorded.
Unobligated Balance	Unobligated balance means the amount of funds under a Federal award that the non-Federal entity has not obligated. The amount is computed by subtracting the cumulative amount of the non-Federal entity's unliquidated obligations and expenditures of funds under the Federal award from the cumulative amount of the funds that the Federal awarding agency or pass-through entity authorized the non-Federal entity to obligate

CODE OF CONDUCT

The purpose of this Code of Conduct is to ensure the efficient, fair, and professional administration of federal grant funds in compliance with 2 CFR; Part 200.318 and other applicable federal and state standards, regulations, and laws.

This Code of Conduct applies to all officers, employees, or agents of Lyon County engaged in the award or administration of contracts supported by federal grant funds.

No Lyon County employee, officer, or agent shall participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of Lyon County shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements except for where the financial interest is not substantial or the gift is an unsolicited item of nominal value. Members of the Lyon County Board of Supervisors shall comply with all relevant fiduciary duties, including those governing conflicts of interest, when they vote upon matters related to procurement contracts in which they have a direct or indirect financial or personal interest. Officers, employees, directors, and agents of the Board of Supervisors shall be subject to disciplinary actions for violations of these standards.

METHODS OF PROCUREMENT

Procurement under grants shall be made by one of the following methods, as described herein: (a) micro purchases; (b) small purchase procedures; (c) sealed bids (formal advertising); (d) competitive proposals; (e) noncompetitive proposals.

The Uniform Guidance outlines five methods of procurement:

- A. Micro-purchase: Purchases where the aggregate dollar amount does not exceed \$3,500 (or \$2,000 if the procurement is construction and subject to Davis-Bacon). When practical, the entity should distribute micro-purchases equitably among qualified suppliers. No competitive quotes are required if management determines that the price is reasonable.
- B. Small purchase procedures are relatively simple and informal procurement methods that are sound and appropriate for the procurement of services, supplies, or other property, costing in aggregate not more than \$150,000 or in conflict with State of Iowa thresholds. If small purchase procedures are used for a procurement under a grant, price or rate quotations shall be obtained from an adequate number of qualified sources.
- C. In sealed bids (formal advertising), Used for purchases over the Simplified Acquisition Threshold, which is currently \$150,000. Under this purchase method, formal solicitation is required, and the fixed price (lump sum or unit price) is awarded to the responsible bidder who conformed to all material terms and is the lowest in price. This method is the most common procurement method for construction contracts.
 1. In order for formal advertising to be feasible, appropriate condition must be present, including, at minimum, the following:
 - a) A complete, adequate and realistic specification or purchase description is available.
 - b) The procurement lends itself to a firm-fixed-price contract, and the selection of the successful bidder can be made principally on the basis of price.
 2. When sealed bids are used for a procurement under a grant, the following requirements apply:
 - a) A sufficient time prior to the date set for opening of bids, bids shall be solicited (publicly advertised) from an adequate number of known suppliers.
 - b) The invitation for bids, including specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the invitation for bids.
 - c) All bids shall be opened publicly at the time and place stated in the invitation for bids.
 - d) A firm-fixed-price contract award shall be made by written notice to that responsible bidder whose bid, conforming to the invitation for bids, is lowest. Where specified in the bidding documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts may only be used to determine low bid when prior experience of Lyon County indicates that such discounts are generally taken.

- e) Any or all bids may be rejected if there are sound documented business reasons in the best interest of the program.

D. Procurement by competitive proposals is used for purchases over the Simplified Acquisition Threshold, which is currently \$150,000 normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursable type contract is awarded, as appropriate. Competitive proposals are generally used when conditions are not appropriate for the use of sealed bids. If the competitive proposals method is used for a procurement under a grant, the following requirements apply.

1. Request for Proposals shall be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical.
2. Requests for Proposals shall be solicited from an adequate number of qualified sources.
3. Lyon County shall have a method for conducting evaluations of the proposals received and for selecting awardees.
4. Awards will be made to the responsible offeror whose proposal will be most advantageous to the procuring party, with price (other than architectural/engineering) and other factors considered.
5. Lyon County should use competitive proposal procedures for qualification-based procurement of architectural/engineering (A/E) professional services whereby competitor's qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in the procurement of A/E professional services. It cannot be used to procure other types of services (e.g., administration professional services) even though A/E firms are a potential source to perform the proposed effort.

E. Noncompetitive proposals: Also known as sole-source procurement, this may be appropriate only when specific criteria are met. Examples include when an item is available only from one source, when a public emergency does not allow for the time of the competitive proposal process, when the federal awarding agency authorizes, or after a number of attempts at a competitive process, the competition is deemed inadequate.

Evaluation Criteria for Lyon County in the Procurement of Professional Services. In accordance with 2 CFR, Part 200, the following factors will be used to evaluate the proposals or requests for qualifications when the "competitive proposals" method of procurement (used for the procurement of professional services) is utilized to select awardees.

- The firm's past experience with similar projects;
- Recipient's familiarity with the firm;
- The firm's availability of staff/capability of staff;
- The firm's technical and financial resources;
- The firm's geographic location;

- The firm's ability to complete projects in a timely manner and within budgetary constraints;
 - The firm's integrity and compliance with public policy;
 - The firm is not on county, State of Iowa, HUD's or DOL's debarred or suspended lists; and
 - Cost or anticipated compensation.
- F. Noncompetitive proposals is procurement through solicitation of a proposal from only one source, or after solicitation from a number of sources, competition is determined inadequate. Noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids (formal advertising), or competitive proposals. Circumstances under which a contract may be awarded by noncompetitive proposals are limited to the following:
1. The item is available from only a single source;
 2. After solicitation of a number of sources, competition is determined inadequate.
 3. A public exigency or emergency exists when the urgency for the requirement will not permit a delay incident to competitive solicitation; and
 4. The awarding agency authorizes noncompetitive proposals. (Sole source procurement for supplies, equipment, construction, and services valued at State thresholds or more must provide justification to Iowa Homeland Security and Emergency Management Department).
- G. Lyon County will provide equal opportunity to qualified small and minority firms, women business enterprises, and labor surplus area firms whenever they are potential sources.

Regardless of the size of the purchase, five procurement requirements must be met:

1. The purchase must comply with the non-Federal entity's *documented procurement procedures*
2. The purchase must be *necessary to carry out the Federal award*.
3. The purchase must be made with open competition *to the extent required*.
4. The organization is in compliance with the EMA Lyon County's *conflict of interest policy*.
5. The purchase *documentation contains sufficient and proper history of the purchase*.

PROCUREMENT PROCEDURES

All procurement by Lyon County shall comply, at a minimum, with the requirements in the following list:

1. Lyon County must avoid purchasing unnecessary items.
2. Where appropriate, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical procurement.
3. Solicitations for goods and services provide for all of the following:
 - A. A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition.
 - B. Requirements which must be fulfilled and all other factors to be used in evaluating proposal submitted in response to solicitations.
 - C. A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
 - D. When relevant, the specific features of "brand name or equal" descriptions that are to be included in responses submitted to solicitation.
 - E. The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.

- F. Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.

CONTRACT

Lyon County shall perform some form of cost/price analysis for every procurement action, including modifications, amendments or change orders. Cost or price analysis shall be made and documented in the procurement files in connection with every procurement action above \$500 in value. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

The cost plus a percentage of cost and percentage of construction cost method of contracting shall not be used.

CONTRACT PROVISIONS AND ADMINISTRATION

A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract and to ensure adequate and timely follow up of all purchases. The Lyon County shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions and specifications of the contract.

1. Lyon County shall include, in addition to provisions to define a sound and complete agreement, the following provisions in all contracts. The following provisions shall also be applied to subcontracts:
 - A. Contracts in excess of the Simplified Acquisition Threshold shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such remedial actions as may be appropriate.
 - B. All contracts in excess of the Simplified Acquisition Threshold shall contain suitable provisions for termination by the Lyon County, including the manner by which termination shall be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.
 - C. For contracts dealing with construction or facility improvements the Lyon County shall comply with all requirements imposed by its funding sources (and the government regulations applicable to those funding sources) with regard to construction bid guarantees, performance bonds, and payment bonds.
 - D. All negotiated contracts (except those for less than the Simplified Acquisition Threshold) awarded by the Lyon County shall include a provision to the effect that the Lyon County shall have access to any books, documents, papers and records of the contractor which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts and transcriptions.
2. All contracts, including small purchases, awarded by the Lyon County and their contractors shall contain the following procurement provisions as applicable.
 - A. **Equal Employment Opportunity** - All contracts, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

- B. **Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c)** - All contracts in excess of \$2000 for construction or repair, when funded in whole or part by monies derived from the Federal government (either directly or indirectly) shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to the Federal awarding agency.
- C. **Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7)** - When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to the Federal awarding agency.
- D. **Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333)** - All contracts in excess of \$2000 for construction contracts and in excess of \$2500 for other contracts that involve the employment of mechanics or laborers, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), shall include a provision for compliance with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 CFR part 5).
- E. **Rights to Inventions Made Under a Contract or Agreement** - Contracts or agreements for the performance of experimental, developmental, or research work, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
- F. **Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.)**, as amended - Contracts and subgrants of amounts in excess of \$150,000, **when funded in whole or part by monies derived from the Federal government** (either directly or indirectly), shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- G. **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)** - Contracts for an amount above \$100,000, **when funded in whole or part by monies derived from the Federal government** (either directly or indirectly), shall include a certification by the contracting parties that they have not and will not use Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352 and to further require disclosure of any lobbying with non-Federal funds that takes place in connection with obtaining any Federal or State Grants.

DEBARMENT AND SUSPENSION

2 CFR 180, *OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)*, governs debarment and suspension. Debarment and suspension can occur if Federal recipient and/or subrecipients use Federal funds wastefully or fraudulently. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities. See more on 2 CFR Part 180 at https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr180_main_02.tpl

PROCUREMENT RECORDS AND RECORD RETENTION

Procurement records and files for purchases in excess of the small purchase threshold as fixed at 2 CFR 200.88 (currently \$150,000) shall include the following at a minimum: (a) basis for contractor selection, (b) justification for lack of competition when competitive bids or offers are not obtained, and (c) basis for award cost or price.

Lyon County shall maintain records sufficient to detail the significant history of a procurement, including the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

Adequate documentation is maintained to support the procurement lifecycle as required by the Uniform Guidance. Therefore records must be retained consistent with federal record retention policies.

Record retention requirements for Federal award recipients appear in the *Record Retention and Access* section of 2 CFR Part 200 Sections 200.333 thru 200.337. The general rule for record retention is that the records must be retained for three years from the date of submission of the final expenditure report.

It is critical that adequate documentation is maintained to support the procurement lifecycle as required by the Uniform Guidance. Therefore records must be retained consistent with record retention policy.

Record retention requirements for Federal award recipients appear in the *Record Retention and Access* section of 2 CFR Part 200 Sections 200.333 thru 200.337. The general rule for record retention is that the records must be retained for three years from the date of submission of the final expenditure report.

Exceptions:

- For records related to litigation, claims or audits started before the three-year period expires; the Federal award recipient must retain records until all actions have been resolved and final action related to the litigation, claims, or audits has been taken.
- For real property and equipment, records must be retained for three years from the date of final disposition of the property.
- When the Federal awarding agency maintains the records, the three-year retention requirement does not apply to the Federal award recipient.
- For program income received after the period of performance, the Federal award recipient must retain such records for three years after the end of the Federal award recipient's fiscal year during which the program income was earned. For example, if a Federal award recipient concludes its period of

performance in 2015, but earns program income in 2017, then it must maintain those program income records for three years after the end of 2017.

REMEDIES

To the extent permitted by federal, state, or local laws or regulations, violation of these standards may cause penalties, sanctions, or other disciplinary actions to be taken against Lyon County's officers, employees, or agents, or the contractors, potential contractors, subcontractors, or their agents, including termination.

Passed and adopted this 26th day of February, 2018.



Randy Bosch

Lyon County Board of Supervisors, Chairman

ATTEST



Jennifer Smit

LeAnn Krull

Lyon County Auditor

Deputy