



Legislation Details (With Text)

**File #:** 19-0666      **Version:** 1      **Name:** AAHC purchasing policy  
**Type:** Resolution      **Status:** Filed  
**File created:** 4/3/2019      **In control:** Housing Commission  
**On agenda:** 4/10/2019      **Final action:** 4/10/2019  
**Enactment date:**      **Enactment #:**

**Title:** To Approve an Amendment to the AAHC Procurement Policy

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Micro Purchase ED letter sign 3-12-19.pdf

Date	Ver.	Action By	Action	Result
4/10/2019	1	Housing Commission	Approved by the Commission	Pass

To Approve an Amendment to the AAHC Procurement Policy

The Ann Arbor Housing Commission's Purchasing Policy details its policies and procedures for the management of its procurement of goods and services. 24 CFR 85.36 used to regulate procurement using federal funds. In March 2019, HUD issued a letter to all Housing Agencies that the Federal Office of Management and Budget (OMB) has implemented new procurement provisions under the National Defense Authorization Act (NDAA). In order to allow maximum flexibility for grant recipients, OMB is allowing and HUD is applying these new procurement provisions to all Public Housing Authorities.

The following are key changes to the policy:

- 1) Micro-purchase threshold increased from \$3,500 to \$10,000 (1 reasonable quote required if under \$3,500)
- 2) Small Purchase Simplified Acquisition threshold increased from \$100,000 to \$250,000 (reasonable number of quotes required between \$10,000 - \$250,000)
- 3) Sealed public bid increased to \$250,000 (sealed bid required if over \$250,000)

Expenditures of non-federal funds do not have to follow federal procurement regulations. Non-federal funds include Voucher Housing Assistance Payments (HAP), Voucher Administrative Fees, tenant rent, City general funds and Continuum of Care administrative fees and rental assistance. However, to simplify the procurement process, the AAHC's procurement policy includes the same requirements for federal and non-federal funds.

It is recommended that the AAHC board approve this new procurement policy to bring the AAHC into compliance with federal regulatory changes.

Prepared and Approved by Jennifer Hall, Executive Director Ann Arbor Housing Commission

**WHEREAS**, The Ann Arbor Housing Commission's Procurement Policy must comply with federal regulations for federal funds; and

**WHEREAS**, The AAHC procurement policy also includes the requirements for non-federal funds such as Voucher Housing Assistance Payments (HAP), Voucher Administrative Fees, tenant rent, City general funds and Continuum of Care administrative fees and rental assistance; and

**WHEREAS**, The OMB and HUD have approved a change in the purchasing thresholds; and

**RESOLVED** that the Board of the Ann Arbor Housing Commission approves the following amendment to the AAHC's Procurement Policy to take effect immediately and to apply to both federal and non-federal funds:

- 1) Micro-purchase threshold increased from \$3,500 to \$10,000 (1 reasonable quote required if under \$3,500)
- 2) Small Purchase Simplified Acquisition threshold increased from \$100,000 to \$250,000 (reasonable number of quotes required between \$10,000 - \$250,000)
- 3) Sealed public bid increased to \$250,000 (sealed bid required if over \$250,000)