

**RESOLUTION AUTHORIZING THE INCREASE IN THE FEDERAL
PROCUREMENT POLICY MICRO-PURCHASE THRESHOLD**

WHEREAS, from time to time, the City of Winston-Salem, North Carolina (the “City”) purchases goods and services using federal funding subject to the procurement standards in 2 C.F.R Part 20, Subpart D; and

WHEREAS, the City’s procurement of such good and services is subject to the Federal Procurement Policy, as most recently amended on August 20, 2018; and

WHEREAS, the City is a non-Federal entity under the definition set forth in 2 C.F.R. §200.1; and

WHEREAS, pursuant to 2 C.F.R. §200.320(a)(1)(ii), a non-Federal entity may award micro-purchases without soliciting competitive price or rate quotations if the non-Federal entity considers the price to be reasonable based on research, experience, purchase history or other information and documents that the non-Federal entity files accordingly; and

WHEREAS, pursuant to 2 C.F.R. §200.320(a)(1)(iii), a non-Federal entity is responsible for determining and documenting an appropriate micro-purchase threshold based on internal control, an evaluation of risk, and its documented procurement procedures; and

WHEREAS, pursuant to 2 C.F.R. §200.320(a)(1)(iv), a non-Federal entity may self-certify -- on an annual basis -- a micro-purchase threshold not to exceed \$50,000 and maintain documentation to be made available to a Federal awarding agency and auditors in accordance with 2 C.F.R. §200.334; and

WHEREAS, pursuant to 2 C.F.R. §200.320(a)(1)(iv), such self-certification must include (1) a justification for the threshold, (2) a clear identification of the threshold, and (3) supporting documentation, which, for public institutions, may be a higher threshold consistent with State law; and

WHEREAS, G.S. 143-129(a) and G.S. 143-131(a) require the City to conduct a competitive bidding process for the purchase of (1) apparatus, supplies, materials, or equipment where the cost of such purchase is equal to or greater than \$30,000, and (2) construction or repair work where the cost of such purchase is greater than or equal to \$30,000; and

WHEREAS, North Carolina law does not require a unit of local government to competitively bid for purchase of services other than services subject to the qualifications-based selection process set forth in Article 3D of Chapter 143 of the North Carolina General Statutes (the “Mini-Brooks Act”); and

WHEREAS, G.S. 143-64.32 permits units of local government to exercise, in writing, an exemption to the qualifications-based selection process for services subject to the Mini-Brooks Act for particular projects where the aggregate cost of such services does not exceed \$50,000; and

WHEREAS, pursuant to 2 C.F.R. §200.320(a)(1)(iv), the City of Winston-Salem Mayor and City Council now desire to adopt higher micro-purchase thresholds than those identified in 48 C.F.R. §2.101.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that in accordance with 2 C.F.R. §200.320(a)(1)(iv) and the applicable provisions of North Carolina law, the City hereby self-certifies the following micro-purchase thresholds, each of which is a “higher threshold consistent with State law” under 2 C.F.R. § 200.320(a)(1)(iv)(C):

- A. \$30,000, for the purchase of apparatus, supplies, materials, or equipment;
- B. \$30,000, for the purchase of construction or repair work;
- C. \$50,000, for the purchase of services not subject to competitive bidding under North Carolina law; and
- D. \$50,000, for the purchase of services subject to the qualifications-based selection process in the Mini-Brooks Act, G.S. 143-64.31; provided that such threshold shall apply to a contract only if the City has exercised an exemption to the Mini-Brooks

Act, in writing, for a particular project pursuant to G.S. 143-64.32. The Mayor and City Council may delegate authority to grant such exemptions to the City Manager.

If the exemption is not authorized, the micro-purchase threshold shall be \$0.

BE IT FURTHER RESOLVED that the self-certification made herein shall be effective as of the date hereof and shall be applicable until June 30, 2025, but shall not be applicable to Federal financial assistance awards prior to November 12, 2020, including financial assistance awards issued prior to that date under the Coronavirus Aid, Relief, and Economic Support (CARES) Act of 2020 (Pub. L. 116-136).

BE IT FURTHER RESOLVED that in the event the City received funding from a federal grantor agency that adopts a threshold more restrictive than those contained herein, the City shall comply with the more restrictive threshold when expending such funds.

BE IT FURTHER RESOLVED that the City shall maintain documentation to be made available to a Federal awarding agency, any pass-through entity, and auditors in accordance with 2 C.F.R. §200.200.334.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to revise, if necessary, the Federal Purchasing Policy of the City to reflect the increased micro-purchase thresholds specified herein, and to take all such actions, individually and collectively, to carry into effect the purchase and intent of the foregoing resolution.