

# Federal Procurement Requirements

*Supplemental Clarifications*  
*September 6, 2023*

Methods of  
Procurement:  
*Reverse Auction*





# Reverse Auction:

As it applies to non-state entities (Governing Authorities)

- **Miss. Code Ann. § 31-7-13(c)(i)(2) requires the use of reverse auction as the primary method for soliciting bids for purchases of certain procurements including commodities, equipment, and printing which exceed \$75,000.00.**
- **HOWEVER, the above provision does NOT apply to procurements by non-state entities using ARPA dollars above the Simplified Acquisition Threshold (over \$250,000.00).**
- **INSTEAD, federal procurement methods for non-state entities, as specified in the Code of Federal Regulation OMB, particularly 2 CFR 200.320, must be followed.**
- **Sealed bids and proposals are the two federally approved methods for procurement in cases where purchases exceed \$250,000.00.**
- **Note, applicable procurements over \$75,000.00 but under \$250,000.00 would still require reverse auction as the preferred procurement method UNLESS the acquisition at issue falls within a recognized statutory exemption to reverse auction.**



# Reverse Auction:

As it applies to non-state entities (Governing Authorities)

- All non-state entities must follow the most restrictive of federal, state, and local procurement requirements, and the documented procurement procedures must conform to the federal procurement standards. [2 CFR 200.318(a)].
- The federal procurement standards specify four methods/procedures for procurement:
  - micro purchase;
  - small purchase;
  - sealed bids; and
  - and competitive proposals [plus noncompetitive procurements as an absolute last resort].
- The characteristics of sealed bids and competitive proposal methods of procurement are specified in 2 CFR 200.
- Because a reverse auction conflicts with these requirements, it is not a method that can be utilized by a governing authority/non-state entity when utilizing federal funds to procure items governed by Miss. Code Ann. § 31-7-13(c)(i)(2) over \$250,000.00.

Methods of  
Procurement:  
*Small Purchases*





# Small Purchases:

As it applies to non-state entities (Governing Authorities)

- **Small purchases are those that are under the bidding threshold but require quotes. State law requires two quotes. Federal law requires two quotes, however three are recommended.**
- **Please note that the affirmative steps required to include minority/women-owned businesses still apply at the small purchase level [2 CFR 200.321]. Although MPTAP\* submittal is not required by state law at the quote level, affirmative steps are required by federal law.**
- **In order to comply with this federal requirement, it is recommended that the non-state entity submit the procurement to MPTAP for posting and *also* request that MPTAP staff send a direct solicitation by email to the applicable suppliers.**

\*The Mississippi Procurement Technical Assistance Program, under the Mississippi Development Authority, assists small and minority-owned businesses in accessing opportunities to bid on government procurements. To learn more, or find out how to submit your procurement, please visit <https://agencybidbank.mississippi.org/>