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MHEC EDGAR/Uniform Guidance Compliance Letter

MHEC requested that our firm review MHEC's procurement practices and their compliance with the regulations set forth in the U.S. Department of Education's General Administrative Regulations ("EDGAR"). In doing so, we have had discussions with MHEC staff about MHEC procurement practices and we reviewed various procurement documents provided by MHEC. We suggested revisions and updates to various documents and practices. Based on our review of the information that MHEC has shared, we believe that MHEC conducts its procurement activities in a manner to comply with EDGAR regulations.

Cooperative purchasing, as is done with MHEC, is encouraged under EDGAR because it provides the opportunity to enter into state and local intergovernmental or inter-entity agreements where appropriate for procurement or use of common or shared goods and services to foster greater economy and efficiency.

Please note that although we believe MHEC's current practices are compliant, Members also have their own responsibilities to ensure EDGAR compliance. Ultimately members are responsible for individual compliance. However, MHEC will do its best to guide Members on their Member-specific responsibilities.

EDGAR requires compliance with 2 CFR 200 ("Uniform Guidance"). The Uniform Guidance governs all federal grants awarded by the Federal Government on or after December 26, 2014. However, the adoption date was pushed back to July 1, 2018 for non-federal governmental entities, including MHEC.

It is important to note that EDGAR regulations apply when any federal grant funds are used. At the time of purchase, Members may not be able to determine which of its procurement/contracts will be funded with federal funds (in whole or in part) or the final amount of the purchase(s). As a result, Members should strive to comply with EDGAR for every procurement action by conducting an independent estimate and cost/price analysis for every procurement and purchasing action that could aggregate to the applicable annual threshold. Members should also require all vendors to complete EDGAR certification forms.

Additionally, Members must comply with the most restrictive rule, whether EDGAR rules or state procurement rules. Which rule is most restrictive depends on the purchase or contract amount and the Member's state and local rules.

