

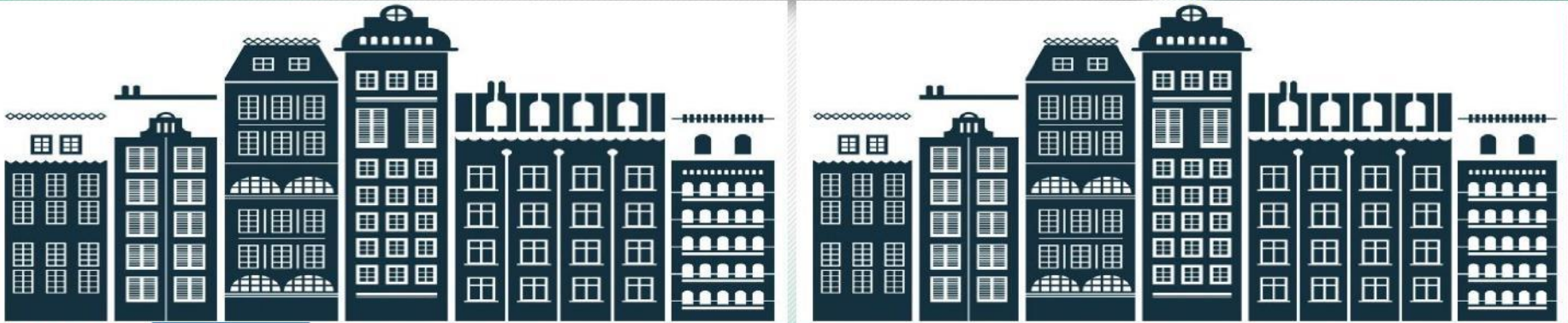
U.S. Department of Housing and Urban Development (HUD)
Office of Lead Hazard Control and Healthy Homes (OLHCHH)

FY2021 NEW GRANTEE ORIENTATION

Procurement Standards and File Management

Government Technical Representatives

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VIRTUAL CONFERENCE, MAY 3RD - MAY 14TH, 2021

Federal Procurement Standards Discussion



**GRANTEES
RESPONSIBILITIES**

GRANTEES RESPONSIBILITIES

- Provide for the fair and equitable treatment of all persons or firms involved in purchasing.
- Assure that supplies, equipment or services are procured efficiently, effectively, and at the most favorable prices.
- Promote competition in contracting.



GRANTEES RESPONSIBILITIES

(CONTINUED)

- Provide safeguards for maintaining a procurement system of quality and integrity.
- Assure that purchasing actions are in full compliance with 2 CFR §200.317 through §200.326, the Grant Agreement, and OLHCHH's Policies.
- Per 2 CFR §200.318(a), the Grantee must use its own documented procurement procedures which reflect applicable State and local laws and regulations, if the procurements conform to applicable Federal law and the standards identified in the above.

CONTRACT CLAIMS AND DISPUTES

Contract Claims and Disputes: The Grantee is responsible for good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. (2 CFR §200.318(k))

These issues include, but are not limited to:

- source evaluation;
- protests;
- disputes; and
- claims.



Debarment and Suspension

Debarment and Suspension: No contract award may be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines on debarment and suspension at 2 CFR part 180. See website:

<https://www.ecfr.gov/cgi-bin/text-idx?node=pt2.1.180>



PROMPT PAYMENT TO CONTRACTORS

Prompt Payments to Contractors must adhere to 2 CFR §200.305, Payment: The Grantee must make timely payment to contractors in accordance with the contract provisions.

When the reimbursement method is used, the Grantee must make payment within 30 calendar days after receipt of the billing, unless the OLHCHH or the Grantee reasonably believes the request to be improper (See 2 CFR §200.53, Improper Payments).

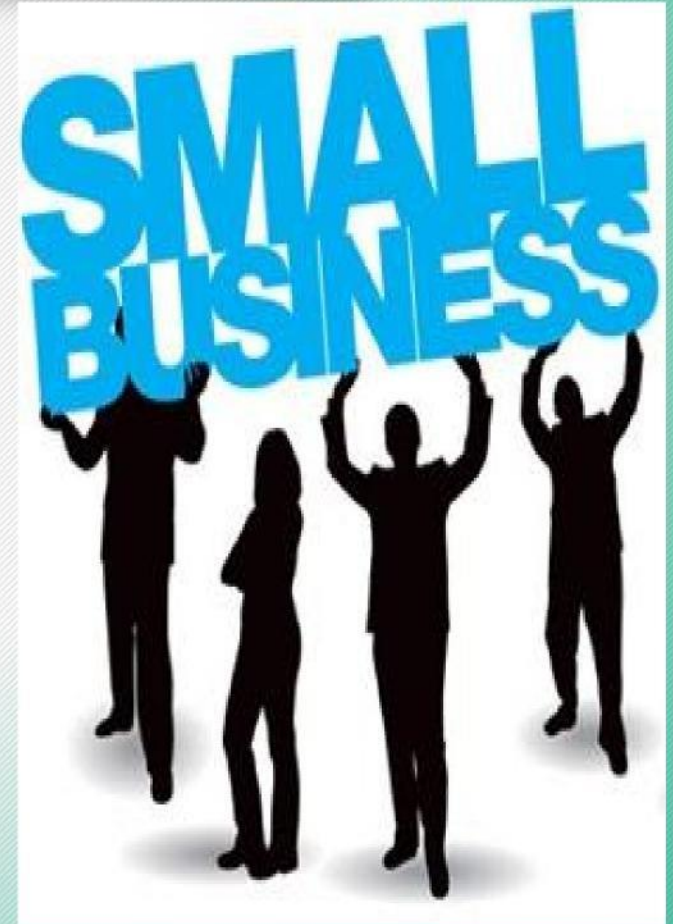


POLL Questions

- What division handles and manage your procurement standards records and documents within your organization?
- Do your program a good communication with this division in order to effectively managed procurement requirements specifically for the grant program?

LOW INCOME AND SMALL BUSINESS CONTRACTORS

Assistance to Small and Minority Businesses: *As a required effort*, Grantees should make good faith efforts to ensure those small businesses and minority-owned businesses, women's business enterprises, and individuals or firms located within or owned in substantial part by persons residing in the area where the work or services for the grant are being used when possible.



SECTION 3 Submission

- Provide bids to low-income contractors that meets income limits criteria
- Reported Annual via HHGMS at this time.
- Please make sure to attend NGO session on Section 3 latest updates and requirements for further details .
- For further discussion, please reach out to GTR on submissions for your specific grant.

Internal Cost Estimates

- **200.324 Contract cost and price.**
- (a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications.
- The method and degree of analysis is dependent on the facts surrounding the procurement situation.
- As a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

METHODS OF PROCUREMENT



BLANKET PURCHASE AGREEMENTS (BPA)

A BPA is a simplified method of filling anticipated repetitive needs for supplies or services. The grantee (or other buyer) establishes an agreement to be able to purchase services or materials, under a specified performance work statement or product performance criteria statement, with qualified firms at specified prices. This eliminates the need for issuing individual purchase documents.



Once a BPA has been established, task or delivery orders can be placed without further competition.

MICRO-PURCHASES

Micro Purchases (2 CFR §200.67) must not exceed \$10,000 and may be made without securing competition if the Ordering or Approving Official considers the price to be reasonable.



SMALL PURCHASE PROCEDURES



SMALL PURCHASE PROCEDURES (2 CFR §200.320(b)) relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold which is \$250,000 (see 48 CFR 2.101, Definitions)

SEALED BIDS

SEALED BIDS [Formal Advertising] (2 CFR § 200.320(c)) bids are publicly solicited, and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price.



NONCOMPETITIVE PROPOSALS



NONCOMPETITIVE PROPOSALS (2 CFR §200.320(f)), procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the circumstances below apply:

- The item is available only from a single source
 - The public exigency (an urgent need or demand) or emergency for the requirement will not permit a delay resulting from competitive solicitation;
 - The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the Non-Federal Entity;
- After solicitation of several sources, **competition** is determined inadequate.

SOLE SOURCE JUSTIFICATION

Write a sole source justification documents that states the following:

- Use a formal letterhead and do not handwrite the sole source justification letter we requested from our office, but justification needs to be on file,
- First, describe the products, goods, or services that are to be acquired and the estimated or exact amount of the contract to be awarded.
- Next, specify the supplier, provider, reseller, distributor, or manufacturer you recommend. Provide complete company name, address, and contact information.
- Finally, Sign your name and title. Be sure to provide correct, complete contact and reference information for future correspondence.

Poll Questions

- What is your file management process for all procurement documents to be maintained and managed for the program?

**Procurement
File
Management
Requirements**



Procurement Standards Documents Checklist

This form will be sent separately for your reference on required documents to have on file for program specific procurement standards

Procurement Type Reference <i>OLHCHH Policy 2017-04 Procurement Types</i>	Blanket Purchase Agreement (BPA) Small <i>(Threshold is 150,000)</i>	Blanket Purchase Agreement (BPA) Large <i>(Threshold is above 150,000)</i>	Small Purchase Procedures <i>(Threshold is 150,000 total or less)</i>	Sealed Bids	Competitive Proposals	Non-Competitive Proposals/ Sole Source
GRANTEE MUST SUBMIT THESE DOCUMENTS RELATED TO THE PROCUREMENT TYPE USED						
Local Procurement Policy (if not already on file)						✓
Invitation for Bids		✓		✓		
Request for Quotes (RFQ)	✓		✓		✓	
Request for Proposals (RFP)		✓		✓	✓	
Evaluation Method	✓	✓	✓	✓	✓	
Selection Criteria	✓	✓	✓	✓	✓	
Bid Sheet Summary	✓	✓	✓	✓	✓	
Draft or actual Contract/Agreement with Award Amounts	<i>Overall BPA Scope and Limitations of use</i>	✓	✓	✓	✓	✓

Unit File Checklist (Procurement Section)

Unit file checklist can be requested by your regional GTR

This is the unit file documents that needs to placed in relation to unit work contracting activities

Section VII – Project Information

- Scope of Work –
 - Lead Work specifications
 - Healthy Homes Work Specification
- In -House Cost Estimate
- Bidders List
- Request for Proposal
- All Original Bids
- Bid Opening Chart (if required for local procurement standards)
- Pre-Construction Meeting (if required for local program procurement standards)
- Contractor Evaluation Criteria
- Intent to Award
- Occupant Protection Plan
- Monitoring Work Site Documentation
- Abatement Project Notification (follow state or local requirement)
- Notice to Proceed
- Building Permit
- Contractor Licenses/Worker Certificates

Contractor Invoice Submissions for LOCCS Payment


- Administrative costs of times needed to broken down clearly
- Invoicing Details of Services is Key (when receiving invoicing from contractors make sure they have description of services)
- Ensure to collect supporting documentation for invoice review
- Match justification for every line and expense
- Sufficient financial management system to track cost and file invoice data



Note: Record keeping of the costs are vital for file justifications and accurate file management.

OLHCHH Procurement Policy from 2 CFR Reference

- For further understanding of federal procurement standard that is acceptable for our office, please further review OLHCHH policy

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT WASHINGTON, DC 20410-3000	
 OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES	
Policy Guidance Number: 2017-04	Date: September 18, 2017
SUBJECT:	Office of Lead Hazard Control and Healthy Homes Grant Procurement Standards
STATUS:	Current
APPLICABILITY:	ALL OLHCHH Grants and Cooperative Agreements Fiscal Year 2015 to Current
RELATED FEDERAL REGULATIONS:	OMB Uniform Guidance: 2 CFR § 200.317 through § 200.326 OMB guidelines on debarment and suspension: 2 CFR part 180 Federal Acquisition Regulations: Parts 6, 13, 14, and 15 OLHCHH Policy Guidance 2017-02, Determining Subrecipient or Contractor Classification
COMMENTS:	

This Policy Guidance is being issued to provide guidance and instructions on procurement standards and methods to be used by the Non-Federal Entities that are recipients or subrecipients of grants and cooperative agreements (collectively, here, "grants") from the Office of Lead Hazard Control and Healthy Homes (OLHCHH). The OLHCHH's grantee must provide a copy of its procurement policies and procedures to OLHCHH during the grant negotiations.

A Non-Federal Entity must: (1) Provide for the fair and equitable treatment of all persons or firms involved in purchasing; (2) Assure that supplies, equipment or services are procured efficiently, effectively, and at the most favorable prices; (3) Promote competition in contracting; (4) Provide safeguards for maintaining a procurement system of quality and integrity; and (5) Assure that the Non-Federal Entity purchasing actions are in full compliance with 2 CFR § 200.317 through § 200.326, the grant agreement, and OLHCHH's Policies.

APPLICATION

Other References 2 CFR 200.320

- Website :

https://www.ecfr.gov/cgi-bin/text-idx?SID=d4bacf5a7621cb5ae9b7aebc57d9bcd4&mc=true&node=se2.1.200_1320&rgn=div8

Background
reference of
OLHCHH policy



Electronic Code of Federal Regulations

We invite you to try out our new beta eCFR site at <https://ecfr.federalregister.gov>. We have made big changes to make the eCFR easier to use. Be sure to leave feedback using the Feedback button on the bottom right of each page!

e-CFR data is current as of April 27, 2021

[Title 2](#) → [Subtitle A](#) → [Chapter II](#) → [Part 200](#) → [Subpart D](#) → [5200.320](#)

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Title 2: Grants and Agreements
PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS
Subpart D—Post Federal Award Requirements

5200.320 Methods of procurement to be followed.

The non-Federal entity must have and use documented procurement procedures, consistent with the standards of this section and §§200.317, 200.318, and 200.319 for any of the following methods of procurement used for the acquisition of property or services required under a Federal award or sub-award.

(a) *Informal procurement methods.* When the value of the procurement for property or services under a Federal award does not exceed the *simplified acquisition threshold (SAT)*, as defined in §200.1, or a lower threshold established by a non-Federal entity, formal procurement methods are not required. The non-Federal entity may use informal procurement methods to expedite the completion of its transactions and minimize the associated administrative burden and cost. The informal methods used for procurement of property or services at or below the SAT include:

(1) *Micro-purchases—(i) Distribution.* The acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (See the definition of *micro-purchase* in §200.1). To the maximum extent practicable, the non-Federal entity should distribute micro-purchases equitably among qualified suppliers.

(ii) *Micro-purchase awards.* Micro-purchases may be awarded without soliciting competitive price or rate quotations if the non-Federal entity considers the price to be reasonable based on research, experience,



The End