|  |  |  |  |
| --- | --- | --- | --- |
| **Guide for Review of Section 4 Procurement** | | | |
| **Name of Recipient:** | | | |
| **Name of Subrecipient (if applicable):** | | | |
| **Name of Program(s) Monitored:** | | | |
| **Grant Number(s) Reviewed:** | | | |
| **Staff Consulted:** | | | |
| **Name(s) of Reviewer(s)** |  | **Date** |  |

**NOTE:** All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the recipient's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a **"finding.**"

**Instructions:** This Exhibit is designed to evaluate the organization’s compliance with procurement requirements as described in 24 CFR Part 84 for grant agreements signed prior to December 19, 2014. It is intended to assist the HUD reviewer in evaluating a representative sample of procurement transactions undertaken by the non-Federal entity, either a recipient or subrecipient (e.g., based on size of last grant, amount of time allocated for monitoring, results of pre-monitoring preparation). The HUD reviewer should evaluate the documentation related to the selected transactions and use this information to verify non-Federal entity responses to the questions in this Exhibit. If the non-Federal entity’s accounting system includes information on contracts, purchase orders, etc., related to the grant program, it can be a convenient starting point for selecting a sample of procurement transactions to review. This Exhibit is divided into 7sections: Sample; General Provisions/Procedures; Small Purchases; Sealed Bids; Competitive Proposals; Noncompetitive Proposals; and Contracting with Small and Minority Firms, Women’s Business Enterprises and Labor Surplus Area Firms. For grant agreements signed after December 19, 2014 and, therefore, subject to 2 CFR Part 200, use Exhibit 34-3 in this Handbook. Note that, in this Exhibit, the following terms are used interchangeably when referring to RCB grant awardees: program participant, recipient, non-Federal entity.

A. SAMPLE

1.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Use the following table to list the selected sample of procurement transactions.  (Add more rows if needed.) | | | | |
| **Contractor** | **Amount Budgeted** | **Amount Obligated** | **Amount Expended** | **Procurement Method\*** |
| 1. |  |  |  |  |
| 2. |  |  |  |  |
| 3. |  |  |  |  |
| 4. |  |  |  |  |
| 5. |  |  |  |  |
| 6. |  |  |  |  |

\* Use the following numbers for these methods of procurement [see 24 CFR 84.40]: (1) Small Purchase;

(2) Sealed Bids; (3) Competitive Proposals; and (4) Noncompetitive Proposals.

B. GENERAL PROVISIONS/PROCEDURES.

2.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the non-Federal entity have its own written procurement procedures?  [24 CFR 84.44(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

3.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Can the non-Federal entity demonstrate that it maintains oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders?  [24 CFR 84.47] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

4.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the non-Federal entity have written standards of conduct covering conflicts of interest and governing the actions of its employees, officers, or agents engaged in the selection, award and administration of contracts supported by grant funds? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

5.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Do the records for each sample transaction show that the non-Federal entity took the required steps to determine that the contractor was not debarred, suspended, or otherwise excluded from, or ineligible for, participation in Federal assistance programs or activities?  [24 CFR 84.47] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

6.

|  |  |
| --- | --- |
| For the procurement transactions selected for review, is there documentation sufficient to detail the procurement history, including, but not limited to: | |
| a. The basis for contractor selection?  [24 CFR 84.46(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Justification for lack of competition when competitive bids or offers are not maintained?  [24 CFR 84.46(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. The basis for the cost or price of the contract?  [24 CFR 84.46(c)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

7.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| For the sample reviewed, did the documentation show that:   * Purchase orders and contracts were signed by an authorized program official? * Items delivered and paid for were consistent with the items contained in the corresponding purchase order and/or contract? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

8.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Is the program participant ensuring that its awards are not made to any party that was excluded, disqualified, or otherwise ineligible (e.g., suspension, debarment or limited denial of participation) for Federal procurement and nonprocurement programs?  [24 CFR 24, Subparts C and J] | |  |  | | --- | --- | |  |  | | **Yes** | **No** | |
| **Describe Basis for Conclusion:** | |

C. SMALL PURCHASES.

9.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. Can the program participant document receipt of an adequate number of price or rate quotations from qualified sources for procurements of $100,000 or less?  [24 CFR 84.44(e)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| b. Describe types of purchases and price or rate quotes received. | |
| **Describe Basis for Conclusion:** | |
|  | |

D. SEALED BIDS.

10.

|  |  |
| --- | --- |
| For each sample transaction that followed the sealed bids procurement method: | |
| 1. Does the program participant receive at least two or more responsible bids for each procurement transaction?   [24 CFR 84.44] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Do the procurements lend themselves to firm, fixed price contracts and can selections of successful bidders be made principally on the basis of price?  [24 CFR 84.44] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Do the IFBs include specifications and pertinent attachments that clearly define the items or services needed in order for the bidders to properly respond?  [24 CFR 84.44(a)(3)(i)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. Are contracts awarded to the lowest responsive and responsible bidders?  [24 CFR 84.44(d)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

E. COMPETITIVE PROPOSALS.

11.

|  |  |
| --- | --- |
| For each sample transaction that followed the competitive proposals procurement method: | |
| a. Do the Request for Proposals (RFPs) clearly and accurately state the technical requirements for the goods or services to be procured?  [24 CFR 84.44(a)(3)(i)]] | |  |  |  |  | | --- | --- | --- | --- | |  |  | |  | | **Yes** | **No** | **N/A** | | |
| b. Were proposals solicited from an adequate number of qualified sources?  [24 CFR 84.43] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Does the program participant publicize RFPs and honor reasonable requests by parties to compete to the maximum extent practicable? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. Does the program participant conduct technical evaluations of submitted proposals? |  |
| e. Does the program participant determine responsible offerors from such evaluations? |  |
| f. Was the contract awarded to the responsible firm whose proposal was most advantageous to the program, with price and other factors considered?  [24 CFR 84.40] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

F. NONCOMPETITIVE PROPOSALS.

12.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the program participant procured services noncompetitively, can it show that other methods of procurement (small purchases, sealed bids or competitive proposals) were infeasible because:   * the items were available from a single source; OR * a public exigency or emergency was of such urgency to not permit use of competitive solicitation, after solicitation of a number of sources; OR * competition is determined inadequate; OR * approval was granted by HUD?   [24 CFR 84.46(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

G. CONTRACTING WITH SMALL AND MINORITY FIRMS, WOMEN’S BUSINESS ENTERPRISES AND LABOR SURPLUS AREA FIRMS.

13.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the program participant taking affirmative steps to use small, minority-owned and women-owned businesses in line with 24 CFR 84.44(b)?  [24 CFR 84.44(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |