



HCD's Procurement
Standard Operating Procedures
#05-08

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Purpose

The purpose of this standard operating procedure is to outline the Housing and Community Development Department's (HCD) procurement process and procedure.

Scope

The standard operating procedure defines the types of procurements, lists the associated City, State, and Federal procurement regulations, and defines the roles and responsibilities in the purchasing of goods and services. The standard operating procedure also includes the process of reporting and managing contracts.

References

- [2 C.F.R. § 200.318-326: OMB Procurement Standards](#)¹
- [81 FR 39687 Community Development Block Grant - Disaster Recovery 2015 \(2015 Flood Events\)](#)²
- [82 FR 36812 Community Development Block Grant - Disaster Recovery 2016 \(2016 Flood Events\)](#)³
- [83 FR 5844 Community Development Block Grant - Disaster Recovery 2017 \(Hurricane Harvey\)](#)⁴
- [84 FR 45838 Community Development Block Grant - Disaster Recovery Mitigation](#)⁵
- [87 FR 31636 Community Development Block Grant - Disaster Recovery 2021 \(Winter Storm Uri\)](#)⁶

¹<https://www.ecfr.gov/current/title-2/part-200/subject-group-ECFR45ddd4419ad436d>

²<https://www.federalregister.gov/documents/2016/06/17/2016-14110/allocations-common-application-waivers-and-alternative-requirements-for-community-development-block>

³<https://www.federalregister.gov/documents/2017/08/07/2017-16411/allocations-common-application-waivers-and-alternative-requirements-for-community-development-block>

⁴<https://www.govinfo.gov/app/details/FR-2018-02-09/2018-02693>

⁵<https://www.federalregister.gov/documents/2022/06/21/2022-13179/waivers-and-alternative-requirements-for-community-development-block-grant-disaster-recovery-cdbg-dr>

⁶<https://www.govinfo.gov/content/pkg/FR-2022-05-24/pdf/2022-10969.pdf>

- [90 FR 1754 Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice](#)⁷
- [24 C.F.R.§ 570.489\(g\): CDBG Procurement](#)⁸
- [24 C.F.R. § 92.504\(c\)\(4\): HOME Contractor](#)⁹
- [24 C.F.R § 574.625\(a\): HOPWA Conflict of Interest](#)¹⁰
- [24 C.F.R. § 576.500\(v\) ESG Subrecipients and Contracts](#)¹¹
- [24 C.F.R. § 87.110: Certifications and Disclosures](#)¹²
- [31 U.S.C. 1352: Limitation on Use of Appropriated Funds to Influence Certain Contracting and Financial Institutions](#)¹³
- [Texas Local Government Code Chapters 252: Purchasing and Contracting Authority of Municipalities](#)¹⁴
- [Texas Local Government Code 271: Purchasing and Contracting Authority of Municipalities, Counties, and Certain Other Local Governments](#)¹⁵
- [Texas Government Code Chapter 2254: Professional and Consulting Services](#)¹⁶
- [COH Code of Ordinances Chapter 14, Article II: Civil Service Rules](#)¹⁷
- [COH Code of Ordinances Chapter 15, Article III: Contracts; Procurement](#)¹⁸
- [COH Code of Ordinances Chapter 15, Article V: Minority, Women, and Small Business Enterprises](#)¹⁹

⁷ <https://www.govinfo.gov/app/details/FR-2025-01-08/2024-31621>

⁸ [https://www.ecfr.gov/current/title-24/part-570/section-570.489#p-570.489\(g\)](https://www.ecfr.gov/current/title-24/part-570/section-570.489#p-570.489(g))

⁹[https://www.ecfr.gov/current/title-24/part-92/section-92.504#p-92.504\(c\)\(4\)](https://www.ecfr.gov/current/title-24/part-92/section-92.504#p-92.504(c)(4))

¹⁰ [https://www.ecfr.gov/current/title-24/part-574/section-574.625#p-574.625\(a\)](https://www.ecfr.gov/current/title-24/part-574/section-574.625#p-574.625(a))

¹¹ [https://www.ecfr.gov/current/title-24/part-576/section-576.500#p-576.500\(v\)](https://www.ecfr.gov/current/title-24/part-576/section-576.500#p-576.500(v))

¹² <https://www.ecfr.gov/current/title-24/section-87.110>

¹³ <https://www.law.cornell.edu/uscode/text/31/1352>

¹⁴ <https://statutes.capitol.texas.gov/SOTWDocs/LG/htm/LG.252.htm>

¹⁵ <https://statutes.capitol.texas.gov/docs/lg/htm/lg.271.htm>

¹⁶ <https://statutes.capitol.texas.gov/docs/gv/htm/gv.2254.htm>

¹⁷https://library.municode.com/tx/houston/codes/code_of_ordinances?nodeId=COOR_CH18ETFIDI_ART

¹⁸https://library.municode.com/tx/houston/codes/code_of_ordinances?nodeId=COOR_CH15CO_ARTIIIIC

¹⁹https://library.municode.com/tx/houston/codes/code_of_ordinances?nodeId=COOR_CH15CO_ARTVMI

- [COH Code of Ordinances Chapter 18, Article IV: Limitations on Solicitations and Contributions](#)²⁰
- [COH A.P. 2-22: Conflict of Interests](#)²¹
- [COH A.P. 5-3: Petty Cash](#)²²
- [COH A.P. 5-4: Revised MBE/WBE/PDBE Procurement Goals](#)²³
- [COH A.P. 5-6: Purchasing Card Policy & Procedures](#)²⁴
- [COH A.P. 5-7: Procurement Standards](#)²⁵
- [COH A.P. 5-8: Informal Procurement](#)²⁶
- [COH A.P. 5-9: Competitive Sealed Bids](#)²⁷
- [COH A.P. 5-10: Request for Qualifications/Request for Proposals](#)²⁸
- [COH A.P. 5-11: Exceptions to Competitive Procurements](#)²⁹
- [COH E.O. 1-7: City Contractors' Pay or Play Program](#)³⁰
- [COH E.O. 1-28: Executive Order Regarding Gifts](#)³¹
- [Purchasing Terms and Conditions](#)³²
- [HCD Policy #01-14: Debarment Verification Policy and Procedure](#)³³
- [HCD SOP: 21-31a: Public Notice and Funding Determination Form Standard Operating Procedures](#)³⁴

²⁰https://library.municode.com/tx/houston/codes/code_of_ordinances?nodeId=COOR_CH18ETFIDL_ART

²¹ <https://www.houstontx.gov/policies/adminpolicies/2-22.pdf>

²² <https://www.houstontx.gov/policies/adminpolicies/5-3.pdf>

²³ <https://www.houstontx.gov/policies/adminpolicies/5-4.pdf>

²⁴ <https://www.houstontx.gov/policies/adminpolicies/5-6.pdf>

²⁵ <https://www.houstontx.gov/policies/adminpolicies/5-7.pdf>

²⁶ <https://www.houstontx.gov/policies/adminpolicies/5-8.pdf>

²⁷ <https://www.houstontx.gov/policies/adminpolicies/5-9.pdf>

²⁸ <https://www.houstontx.gov/policies/adminpolicies/5-10.pdf>

²⁹ <https://www.houstontx.gov/policies/adminpolicies/5-11.pdf>

³⁰ <https://www.houstontx.gov/policies/execorders/1-7.pdf>

³¹ <https://www.houstontx.gov/policies/execorders/1-28.pdf>

³² Strategic Procurement Division

³³https://hcd.healthstreampolicy.com/portal/Components/PnP/DocTree_ViewFile.aspx?ModuleID=1710&ID=A71ECA93-BDE0-464A-ADF0-C07B34202C4A

³⁴https://hcd.healthstreampolicy.com/portal/Components/PnP/DocTree_ViewFile.aspx?ModuleID=1710&ID=7DC043D2-32F2-4931-A983-0D181911C434

Key Systems and Resources

- [Certification Regarding Lobbying Form](#)³⁵
- [Certification Regarding Debarment, Suspension, and Other Responsibility Matters Form](#)³⁶
- [Conflict of Interest Form](#)³⁷
- [HCD Procurement Compliance Checklist](#)³⁸
- [HCD Procurement Solicitation Review Checklist](#)³⁹
- [HCD Procurement Request Form](#)
- [MWSBE Goal or Waiver Letter](#)
- [SPD Procurement Request Checklist](#)
- [SPD Request For Proposal, Request for Qualifications, and Best Value Bid Process](#)⁴⁰
- [SPD Invitation to Bid Process](#)⁴¹

³⁵ <https://www.houstontx.gov/bizwithhou/forms/Anti-Lobbying-Certification.docx>

³⁶ <https://www.houstontx.gov/bizwithhou/forms/Certification-Debarment-Suspension.docx>

³⁷ <https://www.ethics.state.tx.us/data/forms/conflict/CIQ.pdf>

³⁸ Adopted from HUD's CBDG-DR Grantee Procurement Checklist. Published November 2023

³⁹ Adopted from HUD's CBDG-DR Procurement Solicitations Review Checklist. Published March 2024.

⁴⁰ <https://www.houstontx.gov/bizwithhou/forms/RFP%20RFQ%20BVB%20Process.pdf>

⁴¹ <https://www.houstontx.gov/bizwithhou/forms/ITB%20Process.pdf>

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Term Definitions

Certification of Funds (COF)

Funding document that illustrates the evidence of funds to support procurements over \$100,000.00. The document is required by the Strategic Procurement Division.

Change Order

A written modification or amendment to the original scope of work and/or price to an existing contract and/or purchase order.

Chief Procurement Officer (CPO)

The CPO directs the central procurement operations for the City of Houston. Responsibilities include leading day-to-day activities across all City departments for direct and indirect sourcing and procurement activities. The position is situated within the Strategic Procurement Division (SPD) of the City of Houston's Central Finance Department.

City of Houston (COH)

COH and the City refer to the City of Houston.

Contractors

Provider of goods or services, including professional and construction services, that does business or seeks to do business with the City. This term may be used interchangeably with the term "Vendor."

Departmental Purchasing Representative (DPR)

The designated personnel in the procurement section of the department's Finance Division.

Department

Refers to the Housing and Community Development Department (HCD).

Formal Procurement

Formal procurements are purchases that exceed \$100,000.

Informal Procurement

Informal procurements are purchases greater than \$3,000 and up to \$100,000.

Micro purchase

Micro-purchases are purchases valued at under \$3,000.

Micro-purchase threshold

The maximum dollar amount set by the City for micro purchases. The City set \$3,000 as the maximum micro-purchase threshold amount.⁴² The City refers to the micro purchase threshold as the purchase card threshold.

Minority, Women, and Small Business Enterprises (MWSBE)

A sole proprietorship in which the owner is a minority person who owns, controls, and manages the business; or a corporation, partnership, entity or other business, in which at least 51% of the assets are owned, controlled, or managed by one or more minority persons, or a business that has been certified as a Minority Business Enterprise (MBE) by the Office of Business opportunity under any other recognized MBE program, see section 15-82 of Chapter 15 of the City of Houston Ordinance.⁴³

Noncompetitive Procurement

Noncompetitive procurement is a method of buying goods or services without a competitive bidding process. These procurements include emergency and sole-source purchases.

Power Bi

Microsoft's business intelligence platform helps HCD staff connect to, visualize, and analyze data to create interactive reports and dashboards.

Project Labor Agreement

A collective bargaining agreement between the building trade union and Contractors.

Purchase Card

A credit card used for small purchases.

Purchase Order (PO)

A financial document created in SAP authorizing the purchase of materials or services from a supplier. The City uses SRO (service release order) and

⁴² COH A.P. 5-6

⁴³https://library.municode.com/tx/houston/codes/code_of_ordinances?nodeId=COOR_CH15CO_ARTVMIWOSMBUEN_S15-82DE

purchase order (PO) interchangeably.

Purchase Requisition

A financial document created in SAP is used to reserve funds for a purchase.

SAP

The City of Houston's financial system of record. System Application and Products (SAP).

Scope of Work

A detailed, written description of the conceptual requirements for the project is contained in a solicitation.

Service Release Order (SRO)

A financial document created in SAP authorizing the purchase of materials or services from a supplier. The City uses SRO (service release order) and purchase order (PO) interchangeably.

Simplified Acquisition Threshold

The maximum dollar amount for informal purchases. Per COH A.P. 5-8, the City's simplified acquisition threshold is \$100,000.⁴⁴

Strategic Procurement Division (SPD)

The central procurement division for the City of Houston.

Strategic Sourcing

Strategic sourcing is a procurement approach that promotes efficient and economical acquisition of common or shared goods and services.

Veteran Owned Business

A sole proprietorship in which at least 51% of the assets are owned, controlled or managed by one or more veterans.

⁴⁴ 2 CFR §200.320(a)(2)(iii) and 48 CFR §2.101 "Simplified acquisition threshold"

Roles and Responsibilities

Department Purchasing Representative

The Department Purchasing Representative (DPR) is responsible for purchasing functions, including but not limited to reviewing the scope of work/technical specifications and approving purchase requisitions, change orders, and bid tabulations.

HCD Division Responsibilities

HCD Divisions are responsible for submitting procurement requests with the required documentation based on the procurement type. The Division is responsible for developing the scope of work and/or technical specifications and the cost estimate to procure the requested goods and/or services.

Each Division collaborates with the SPD-Formal Team and Legal to complete formal procurements.

HCD Procurement Responsibilities

The HCD Procurement Division serves as the liaison between the department and the Strategic Procurement Division (SPD). HCD Procurement Division is responsible for reviewing and assisting the Division with developing the scope of work and/or technical specifications. The Division conducts a pre-procurement review of the solicitation package to ensure compliance and proper use of funds prior to submitting the package to SPD.

The HCD Procurement Division also creates purchase requisitions in SAP.

Strategic Procurement Division Responsibilities

The Strategic Procurement Division (SPD) is responsible for publishing, receiving, and recording all informal and formal procurements requested by City departments. It also assists City departments with purchase orders, specifications, and scopes of work and/or services. The division prepares timelines for each procurement for the user department's planning purposes.

Procurement Thresholds and Methods

1 Petty Cash Purchase

Petty cash purchases are valued at \$100 or less. City of Houston A.P. 5-3 governs outlines the procedures.

2 Micro Purchase

Micro-purchases that are valued at more than \$100 up to \$3,000.⁴⁵ The City refers to micro purchases as P-card (purchase card) transactions. Per COH A.P. 5-6, no single transaction may exceed \$3,000, and total monthly purchases may not exceed \$10,000.⁴⁶

3 Noncompetitive Procurement

Noncompetitive procurement is a method of buying goods or services without a competitive bidding process. These procurements include emergency and sole source purchases pursuant to the authority in the section

15-49 of the City Code and the processes established by the CPO and COH A.P. 5-11 and [2 CFR 200.320\(c\)](#).

- (a) Emergency - Emergency procurements include the purchase of goods and/or services to address emergency conditions.
- (b) Sole Source - The purchase of goods or services that can be obtained only from a single supplier/manufacturer is defined as sole source procurements.
- (c) Noncompetitive procurements are applicable when one of the following circumstances applies:⁴⁷
 - (i) The aggregate amount of the procurement transaction does not exceed the micro-purchase threshold. For the City of Houston, the micro-purchase threshold is \$3,000.
 - (ii) The procurement transaction can only be fulfilled by a single source;
 - (iii) The public exigency or emergency for the requirement will not permit a delay resulting from providing public notice of a competitive solicitation;

⁴⁵ Pursuant to [2 CFR §200.320\(a\)\(1\)\(iii\)](#) the recipient or subrecipient is responsible for determining and documenting an appropriate micro-purchase threshold based on its documented procurement procedures. The City's administrative policy 5-6 sets the threshold.

⁴⁶ COH A.P. 5-6: Purchasing Card Policy and Procedures

⁴⁷ [CFR §200.320\(c\)](#)

- (iv) The recipient or subrecipient requests in writing to use a noncompetitive procurement method, and the Federal agency or pass-through entity provides written approval; or
- (v) After soliciting several sources, competition is determined to be inadequate.

4 Strategic Sourcing

Strategic sourcing is a procurement approach that promotes efficient and economical acquisition of common or shared goods and services. When appropriate, strategic sourcing is encouraged for federal procurements.⁴⁸

COH A.P. 5-11 and [2 CFR 200.318\(e\)](#) govern the use of the below strategic sourcing mechanisms:

- (a) Cooperative Purchasing Program - An agreement with an organization of governments that provides local governments with access to contracts with vendors for the purchase of materials, supplies, services, and equipment.
- (b) Interlocal Agreement - An agreement between one or more governmental entities for the purpose of performing governmental functions and services.
- (c) Interdepartmental Purchase - An agreement between one or more City of Houston Departments for the purpose of performing shared governmental functions and services.

5 Informal Procurement

Informal procurements are purchases greater than \$3,000 and up to \$100,000.⁴⁹ These procurements must comply with Local Government Code Chapter 252, Purchasing and Contracting Authority of Municipalities, and COH A.P. 5-8. Pursuant to [2 CFR 200.320\(a\)\(2\)\(i\)](#), informal procurements apply when the aggregate dollar amount exceeds the micro-purchase threshold but does not exceed the simplified acquisition threshold. In these cases, price or rate quotations must be obtained from at least 3 qualified sources.

6 Formal Procurement

- (a) Formal procurements are purchases that exceed \$100,000. Per COH A.P. 5-9 or 5-10, competitively sealed bids using price or best

⁴⁸ [https://www.ecfr.gov/current/title-2/part-200/section-200.318#p-200.318\(e\)](https://www.ecfr.gov/current/title-2/part-200/section-200.318#p-200.318(e))

⁴⁹ Pursuant to [2 CFR §200.320\(a\)\(2\)\(ii\)](#) the recipient or subrecipient is responsible for determining an appropriate simplified acquisition threshold based on its documented procurement procedures, which may be lower than, but must not exceed, the threshold established in the FAR. The City's administrative policy 5-9 sets the threshold.

value, request for proposals, and request for qualifications are formal procurement methods.

- (b) Pursuant to [2 CFR 200.320\(b\)](#), procurements above the simplified acquisition threshold must be conducted using either sealed bids or competitive proposals.
- (c) Pursuant to [2 CFR 200.320\(b\)\(2\)\(iv\)](#) and Texas Gov't Code 2254, a request for qualifications will be used **only** on architectural/engineering (A/E) professional services whereby the offeror's qualifications are evaluated, and the most qualified offeror is selected, subject to negotiation of fair and reasonable compensation. The method, where the price is not used as a selection factor, can **only** be used to procure architectural/engineering (A/E) professional services. The method may not be used to purchase other services provided by A/E firms that are a potential source to perform the proposed effort.
 - (i) Invitation to Bid (ITB) – The document used to solicit competitive sealed bids. The document states the specific requirements for goods, services, and construction standards in which an award is generally made to the lowest responsive bid and responsible bidder, based solely on the response to the criteria set forth.⁵⁰

When factors other than price are to be considered, the best value method may be appropriate. The ITB shall clearly indicate that the award will be made to the bidder that provides the best value for the City and shall identify the criteria that will be considered.

- (ii) Request for Proposal - The document used to solicit proposals for services or a combination of goods and services from vendors. Price is not the primary evaluation criterion, but is a factor considered in the determination of best value and affordability. The process may consist of two steps (prequalification and proposals) or a single step (proposals including consideration of quality).⁵¹
 - (iii) Request for Qualifications - The document used to solicit statements of qualifications from vendors. The process is generally used to pre-qualify vendors as part of a multistep process or to select professional services, prohibiting price as a consideration, or whenever the best interest of the city is served.

⁵⁰ [2 CFR §200.320\(b\)\(1\)](#)

⁵¹ [2 CFR §200.320\(b\)\(2\)](#)

Procurement Process Overview

The procurement process is initiated when the Division submits a procurement request form advising of the goods/services that are being requested.

- (a) The process is as follows:
 - (i) The Division submits the procurement request form with the following support documentation (when applicable):
 - (1) Scope of Work
 - (2) Independent Cost Estimate
 - (3) Quotes
 - (4) MWBE Goal or MWBE Waiver
 - (5) Grant Award Letter
 - (6) List of evaluation committee members
 - (ii) HCD Procurement Division conducts a pre-procurement review of the procurement request. The pre-procurement review includes the following actions:
 - (1) Review and determine if the good/service requested is unnecessary or is a duplicative item.⁵²
 - (2) Review and determine if surplus property is available to use instead of purchasing new equipment.⁵³
 - (3) Review and determine if the goods can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water-efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products.⁵⁴
 - (4) Determine the procurement method.
 - a) Review documents according to the determined procurement method to ensure that all required documents are present and complete. The requesting Division is contacted to see if revisions or clarification are needed.

⁵² 2 CFR §200.318(d)

⁵³ 2 CFR §200.318(f)

⁵⁴ 2 CFR §200.323(b); **Note:** On January 20, 2025, the President signed [E.O. 14148](#) revoking [E.O. 14057](#), which governs 2 CFR §200.323(b).

- (5) HCD Procurement Division submits the package to the City's Strategic Purchasing Division for processing.

7 Purchase Card Process

- (a) The Division submits the procurement request form with the following support documentation:
 - (i) Scope of Work
 - (ii) Quote (if available)
- (b) HCD Procurement Division conducts a pre-procurement review of the procurement request.
 - (i) The requesting Division is contacted for more information if necessary.
- (c) HCD Procurement Buyer purchases the items using the P-card in compliance with COH AP 5-6.

8 Noncompetitive Procurements and Strategic Sourcing Process

- (a) The Division submits the procurement request form with the following support documentation:
 - (i) Scope of Work
 - (ii) [MWSBE goal or MWSBE waiver](#) for non-construction procurements over \$100,000 and MWSBE goal or MWSBE waiver for construction procurements over \$1,000,000.⁵⁵
- (b) HCD Procurement Division reviews the procurement request.
 - (i) The requesting Division is contacted for more information if necessary.
- (c) HCD Procurement Division contacts potential vendors and obtains quotes or proposals.
- (d) HCD Procurement Division submits the Exemption Justification Form to the CPO for signature.
 - (i) Certain hardware purchases require a Hardware Exception Purchase Request Form approved by Houston Information Technology Services. The signed/approved Hardware Exception form is submitted with the Exemption Justification form to the CPO.
- (e) HCD Procurement division creates the purchase requisition in SAP and releases it to SPD for processing.

⁵⁵ Professional services require a MWSBE goal or waiver regardless of the procurement amount.

- (f) SPD ensures the procurement request complies with COH AP 5-11 and [2 CFR §200.318\(e\)](#) – Strategic Sourcing or [CFR §200.320\(c\)](#) – Non-competitive Procurement.
- (g) SPD issues the purchase order.

9 Informal Process

- (a) The Division submits the procurement request form with the following support documentation (when applicable):
 - (i) Scope of Work
 - (ii) [MWSBE goal or MWSBE waiver](#) for professional services procurements.⁵⁶
- (b) HCD Procurement Division conducts a pre-procurement review of the procurement request.
 - (i) The requesting Division is contacted for more information if necessary.
- (c) HCD Procurement division creates the purchase requisition in SAP and releases it to SPD Informal Team for processing.
- (d) SPD Informal Team conducts the procurement in compliance with COH AP 5-8 and [2 CFR §200.320\(a\)\(2\)](#).⁵⁷
- (e) SPD Informal Team provides HCD with the bid tabulation sheet and advises the potential awardee.
- (f) SPD Informal staff conducts the federal debarment verification in SAM.gov and follows the City's debarment policies for the potential awardee.
 - (i) If the potential awardee is identified as excluded, no expenditure of funds is permitted. The potential awardee will be notified in writing that it is not eligible to receive an award. SPD will proceed with the next qualified vendor.⁵⁸
 - (ii) If no exclusions are identified, HCD acknowledges the proposed awardee and advises SPD to proceed with the award.
- (g) SPD Informal Team has the vendor sign the following forms and issue the purchase order upon completion:
 - (i) Certification Regarding Lobbying Form,

⁵⁶ Professional services require a MWSBE goal or waiver regardless of procurement amount.

⁵⁷ Where there is conflict between local, state and federal regulations, the most stringent requirements prevail.

⁵⁸ Refer to the Debarment section.

- (ii) Certification Regarding Debarment, Suspension and other Responsibility Matters Form and
- (iii) Conflict-of-Interest Form.

10 Formal Process

- (a) HCD Division submits the procurement request form with the following support documentation⁵⁹:
 - (i) Certification of Funds
 - (ii) Scope of Work
 - (iii) Independent Cost Estimate
 - (iv) [MWSBE Goal or Waiver letter](#)
 - (v) Grant Award Letter
 - (vi) List of evaluation committee members (when available)
- (b) HCD Procurement Division conducts a pre-procurement review of the procurement request.
 - (i) The requesting Division is contacted for more information if necessary.
- (c) HCD Procurement Division submits the package to SPD.
- (d) SPD Formal Team determines the solicitation type, competitive sealed bids, requests for proposals, and requests for qualifications. Thereafter, the SPD Formal Team administers the solicitation in compliance with COH AP 5-9 or 5-10 and [§ 200.317](#) through [200.327](#). These procedures include, but are not limited to, finalizing the scope of work, advertising solicitations, evaluating bids and submission responsiveness, and preparing award recommendations based on the Program Area's direction.⁶⁰

Note: *Bid and proposal evaluation criteria are determined by the project's scope of work, as defined by the requesting Division, and may vary by project.*
- (e) SPD Formal Team collaborates with the Legal Team on the contract preparation. The package includes the following, but not limited to, the contract, the Certification of Lobbying Form, the Certification

⁵⁹ Refer to SPD Procurement Request Checklist

⁶⁰ Refer to the [RFP RFQ BVB Process](#) and [ITB Process](#) for an overview of SPD's process on negotiations for shortlisted vendors. Where there is conflict between local, state and federal regulations, the most stringent requirements prevail.

Regarding Debarment, Suspension and other Responsibility Matters Form and the Conflict-of-Interest Form.⁶¹

- (f) The Program Area initiates the PNFDF process, which sends the contract to the City Council for approval.

11 Invitation to Bid for Master Contract Agreements⁶²

- (a) The Single-Family Division submits the procurement request with the following support documentation to HCD Procurement:
 - (i) Scope of Work
 - (ii) Independent Cost Estimate
- (b) HCD Procurement Division provides solicitation to the approved master contract vendors.
- (c) HCD Procurement Division reviews the bids for responsiveness and creates the bid tabulation.
- (d) The Single-Family Division reviews the bids and suggests the potential awardee based on the lowest cost bid.
- (e) HCD Procurement Division issues the award letter to the selected master contract vendor.

12 Request for Proposals and Request for Qualifications for Master Service Agreements

- (a) The HCD Division submits the procurement request form with the following support documentation to HCD Procurement:
 - (i) Certification of Funds
 - (ii) Scope of Work
 - (iii) Independent Cost Estimate
 - (iv) MWBE Goal or waiver letter
 - (v) List of evaluation committee members (when available)
- (b) HCD Procurement Division conducts a pre-procurement review of the procurement request.
 - (i) The requesting Division is contacted for more information if necessary.
- (c) HCD Procurement Division submits the package to SPD.

⁶¹ Refer to Section 16 Debarment Verification, Section 19 Contract Provisions and Section 20 Procurement Requirements.

⁶² Only applicable to Single Family programs because the program is the only division that has master contract agreements.

- (d) SPD conducts the procurement⁶³.
- (e) SPD reviews the bids for responsiveness, provides the information to the evaluation committee, and creates the bid tabulation/score card using the evaluators' scores.
- (f) SPD then provides HCD with the bid tabulation sheet.
***Note:** Bid and proposal evaluation criteria are determined by the project's scope of work, as defined by the requesting Division, and may vary by project.*
- (g) The HCD Division reviews the bids and suggests the potential awardee(s).
- (h) SPD issues the purchase order.

Procurement Standards

13 Labor and Employment

Pursuant to [2 CFR §200.318\(l\)](#), the following actions are permitted if consistent with the U.S. Constitution, applicable Federal statutes and regulations, the objectives and purposes of the applicable Federal financial assistance program.

- (a) Use of Project Labor Agreements (PLAs) or similar forms of pre-hire collective bargaining agreements;
- (b) Requiring construction contractors to use hiring preferences or goals for people residing in high-poverty areas, disadvantaged communities as defined by the Justice40 Initiative (see [OMB Memorandum M-21-28](#)), or high-unemployment census tracts within a region no smaller than the county where a federally funded construction project is located. The hiring preferences or goals should be consistent with the policies and procedures of the recipient or subrecipient, and must not prohibit interstate hiring;
- (c) Requiring a contractor to use hiring preferences or goals for individuals with barriers to employment (as defined in section 3 of the Workforce Innovation and Opportunity Act ([29 USC §3102\(24\)](#))), including women and people from underserved communities as defined by Executive Order 14091;
- (d) Use of agreements intended to ensure uninterrupted delivery of services; using agreements intended to ensure community benefits; or

⁶³ SPD Informal Team conducts procurements up to \$100,000. SPD Formal Team conducts procurements valued over \$100,000.

- (e) Offering employees of a predecessor contractor rights of first refusal under a new contract.

14 Enterprises, Veteran-Owned Businesses, and Labor Surplus Area Firms⁶⁴

- (a) In accordance with [2 CFR §200.321](#), the City adheres to the following steps to ensure that small businesses, minority businesses, women's enterprises, veteran-owned businesses, and labor surplus area firms are considered in the City's procurement activities.
 - (i) These business types are included on solicitation lists;
 - (ii) These business types are solicited whenever they are deemed eligible as potential sources;
 - (iii) Dividing procurement transactions into separate procurements to permit maximum participation by these business types;
 - (iv) Establishing delivery schedules (for example, the percentage of an order to be delivered by a given date of each month) that encourage participation by these business types;
 - (v) Utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
 - (vi) Requiring a contractor under a Federal award to apply this section to subcontracts.
- (b) Pursuant to Chapter 15, Article V of the City of Houston Code of Ordinances, the City establishes participation goals for MWSBEs to remedy underutilization and to promote inclusive economic development. Contractors must comply with OBO guidelines and provide documentation of MWSBE engagement as part of procurement and post-award compliance.

15 Conflict of Interest and Conduct Standards

- (a) Conflict of Interest Standards
 - (i) To ensure transparency, fairness, and public trust in all procurement activities, the City of Houston enforces strict conflict of interest and conduct standards for all parties involved in solicitation, selection, award, and contract administration. These standards apply to City employees, officers, agents, consultants, and both elected and appointed officials, as well as former officials with prior decision-making responsibilities. All procurement activities must be conducted free from personal,

⁶⁴ MWSBE Guidance Manual 8-20

financial, or organizational interests that could compromise, or appear to compromise, the integrity of the process. Conflict of interest.

- (ii) The following provisions outline the circumstances in which conflicts of interest are prohibited, define the limitations on current and former City officials, and establish expectations for conduct in alignment with COH A.P. 2-22 and 2 CFR §200.318 through §200.327.
- (iii) No employee, officer, agent, consultant, elected official, appointed official, or board member of the City of Houston shall participate in the selection or in the award or administration of a contract if they have a real or apparent conflict of interest. Such a conflict of interest arises if any of the persons listed above, their immediate family, partner, or an organization that employs, or is about to employ, has a financial or other interest in the firm selected for an award.⁶⁵
- (iv) No person listed above or former city official having had decision making responsibilities or participated in decision making process, or access to inside information, may obtain a financial interest, or benefit, or have financial interest in any contract, subcontract, or agreement, or proceeds, for themselves, immediate family, or business associate from a funded activity during their tenure or for one year following his or her end of employment/departure date from the City of Houston.⁶⁶
- (v) No former city official shall, during the one year following their departure date, enter a contractual relationship with the City or hold more than 20 percent interest in any company that has a contractual relationship with the City.⁶⁷
- (vi) Conflict exists if a firm, partnership, or corporation, in which any employee of the City of Houston has any ownership interest more than one percent of the total ownership in such firm, partnership of corporation to bid on or to be awarded any contract being let by the City or to be peculiarly interested, directly or indirectly, in any contract let by the City, or in any work done by the City or in any matter wherein the rights or liabilities of the City are or may be involved.⁶⁸

⁶⁵ COH A.P. 2-22: Conflict of Interest, Section 9.2, 2 CFR 200.318(c)(1)

⁶⁶ 24 CFR 574.625(a) HOPWA; 24 CFR 92.356 HOME; 24 CFR 570.611 CDBG; 24 CFR 576.404 ESG

⁶⁷ City of Houston Code of Ordinances 18-88

⁶⁸ City of Houston Code of Ordinances 15-1(b)

- (vii) COH or sub-grantee's officers or employees will neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.⁶⁹
 - (viii) COH officers or employees will not seek to enter into any contract or other transaction or business relationship that requires the expenditure of funds equal to or exceeding the amount that requires the taking of competitive sealed bids if the proposed contracting entity or any owner is indebted to the city.
 - (ix) It shall be unacceptable for two or more persons, directly or indirectly, to enter into any collusion or agreement of any kind to set the price for goods and services, gaining an unfair advantage.
 - (x) When an actual or apparent conflict of interest arises, the procedures outlined in the COH A.P. 2-22 Conflict of Interest should be followed. Where there is conflict between these provisions and 2 CFR §200.318 through 327, those cited at 2 CFR §200 prevail.
- (b) Conduct Standards.
- (i) Pursuant to 2 CFR §200.318(c), all individuals involved in procurement must uphold standards of conduct that protect the public interest. The following conduct standards apply to all procurement activities:
 - (1) COH officers or employees will not engage in outside business activities that might tend to impair independent judgment.
 - (2) COH officers or employees will not hold investments that conflict with the public trust.⁷⁰
 - (3) Individuals shall not disclose source selection information, proprietary data, contractor pricing, or internal evaluation documents to unauthorized parties.

16 Debarment Verification

- (a) In accordance with federal, state, and local regulations⁷¹It is the policy of HCD to ensure that no funds are awarded to any individual or entity that has been debarred, suspended, or otherwise excluded from contracting with the City, the federal government, or the state

⁶⁹ 2 CFR 200.318(c)(1)

⁷⁰ City of Houston Code of Ordinances, Section 18-3(a)(2) and City of Houston Code of Ordinances, Section 15, Article VII.

⁷¹ Including but not limited to 2 CFR 180, 2 CFR 200.214, 24 CFR Part 5, TAC Rule 20.588

government. Therefore, a debarment verification must be completed prior to authorizing the expenditure of any federal or non-federal funds.

- (b) Debarment verification is performed according to the procedures outlined in HCD Debarment Verification Policy and Procedure No. 01-14⁷². Verification results must be documented and placed in the appropriate project file or Public Notice of Funding Determination Form (PNFDF) file.
 - (1) For contracts under \$50,000, the HCD Procurement staff conducts the verification.
 - (2) For contracts of \$50,000 or more, the Relationship Manager from the requesting Division is responsible for conducting the verification, and the HCD DPR will confirm that it has been completed.
- (c) If no exclusions are found, procurement may proceed. If the party is identified as excluded, no expenditure of funds is permitted, and the party will be notified in writing that they are ineligible to continue in the procurement process.
- (d) City of Houston Debarment Regulation 8.5.22⁷³ identifies when debarment may be warranted and establishes the procedures for implementing it at the City level.

17 Procurement Review

- (a) Pursuant to [2 CFR §200.325](#), the Federal agency and the subrecipient may review the technical specifications of proposed procurements prior to the time the specifications are incorporated into a solicitation document if the Federal agency or pass-through entity believes the review is needed to ensure that the item or service specified is the one being proposed for acquisition.
- (b) The Federal agency or pass-through entity may review the specifications after the solicitation. In those cases, the review should be limited to the technical aspects of the proposed purchase.⁷⁴
- (c) When requested, the City must provide procurement documents (such as requests for proposals, invitations for bids, or independent cost estimates) to the Federal agency or pass-through entity for pre-procurement review.

⁷² HCD Policy #01-14 Debarment Verification Policy and Procedure

⁷³ https://www.houstontx.gov/bizwithhou/forms/Debarment_Regulation_8.5.22.pdf

⁷⁴ [2 CFR 200.325\(a\)](#)

- (d) The Federal agency or pass-through entity may conduct a pre-procurement review when:⁷⁵
- (1) The recipient's or subrecipient's procurement procedures or operation fails to comply with the procurement standards in this part;
 - (2) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition, or only one bid is expected to be received in response to a solicitation;
 - (3) The procurement is expected to exceed the simplified acquisition threshold and specifies a "brand name" product;
 - (4) The procurement is expected to exceed the simplified acquisition threshold, and a sealed bid procurement is to be awarded to an entity other than the apparent low bidder; or
 - (5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.

18 Value Engineering Clauses

Pursuant to 2 CFR §200.318(g), when practical, the City will use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. SPD will analyze each contract item or task to ensure its essential function is provided at the overall lowest cost.

19 Contract Provisions

- (a) SPD will collaborate with the City's Legal Team to ensure that each contract includes the required contract provisions outlined in [2 CFR §200.327](#), and [Appendix II to Part 200, Title 2](#).⁷⁶

20 Alternative Procurement Requirements⁷⁷

- (i) The City's Legal Contract Team will ensure that each contract:
- (1) Clearly states the period of performance and date of completion in all contracts;
 - (2) Incorporates performance requirements and liquidated damages into each procured contract. Contracts that describe work performed by general management consulting services need not adhere to the requirement on liquidated

⁷⁵ [2 CFR §200.325\(b\)](#)

⁷⁶ As of January 5, 2026, A.P. 5-7 revisions are anticipated to be effective within the next 60-90 days, which will likely change this process.

⁷⁷ Federal Register, Vol. 90, No.5 January 8, 2025, Section III.B.7.a.

damages, but must incorporate performance requirements;
and

- (3) The City may contract for administrative support in compliance with [2 CFR §200.459](#), but may not delegate or contract to any other party any inherently governmental responsibilities related to oversight of the grant, including policy development, fair housing and civil rights compliance, and financial management.

21 Procurement when using CDBG-DR as a non-Federal match⁷⁸

- (i) If the City uses CDBG-DR funds as a non-Federal match, the City will adopt the procurement policies and procedures that satisfy the other Federal agencies' requirements to promote consistency and seamlessly leverage their funding, so long as they meet other cross-cutting requirements that apply to the CDBG-DR funds.
- (ii) If the City utilizes another federal agency's procurement policy, the method will be documented in the procurement file.⁷⁹
- (iii) When CDBG-DR funds are used as the non-Federal match in another Federal program, the City is not required to comply with the alternative requirements mentioned in [Section III.B.7.a of HUD's Universal Notice](#) and in [Section 20](#) of this policy

Change Order Policy and Process

22 Policy⁸⁰

- (a) HCD Procurement may initiate change orders on behalf of the Division under the following conditions:
 - (i) Changes in plans or specifications are necessary after performance of the contract begins;
 - (ii) Change is necessary to increase or decrease the quantity or work to be performed; or
 - (iii) Change is necessary to increase or decrease materials, equipment, or supplies to be furnished.
- (b) Change orders **over** \$50,000.00 **require** City Council approval.

⁷⁸ Federal Register, Vol. 90, No.5 January 8, 2025, Section III.B.7.b.

⁷⁹ Refer to the Procurement Compliance and Records Management section.

⁸⁰ COH A.P. 5-7: Procurement Standards

- (c) Change Orders **under** \$50,000 may be approved by the Director according to the stipulations in the contract executed by the City Council.
- (d) To the extent required by law, the original contract price may not be increased by more than twenty-five (25%). To the extent required by law, the original contract price may not be decreased by more than twenty-five percent (25%) without the consent of the contractor.

23 Process

- (a) The Division submits the change order packet to the HCD Procurement Team.
- (b) The HCD Procurement conducts a quality review to ensure that the correct documents and signatures are obtained.
 - (i) The documents are returned to the Division for edits if necessary.
- (c) The change order packet is submitted to SPD.

SPD advises if corrections are needed. If no changes are needed, SPD updates the contract and/or purchase order/service release order (SRO). SROs with change orders over \$50,000 are updated after City Council approval.

Procurement Compliance and Records Management

- (a) Upon notification of a completed procurement process performed by SPD, the HCD Procurement Compliance Team will request all relevant records for the procurement and ensure a completed file exists.
- (b) Pursuant to [2 CFR §200.318\(i\)](#), the procurement file must maintain records that sufficiently detail the history of each procurement transaction. The [HCD Procurement Solicitation Review Checklist](#) and the [HCD Procurement Compliance Checklist](#) will be used to evaluate completeness and compliance with the federal regulations. This review includes the rationale for the procurement method, contract type selection, contractor selection or rejection, and the basis for the contract price.
- (c) All procurement files certified complete by the HCD Procurement Compliance Team will be uploaded into HCD's certified electronic records storage system.
- (d) Pursuant to [2 CFR §200.334](#), the City will retain all Federal award records for a period in compliance with HUD program regulations

or the applicable record retention requirements provided in 2 CFR §200.334.

- (e) Records are subject to Open Records requests and legal discovery disclosure.
- (f) Procurement documents will be subject to destruction in accordance with the State of Texas-approved retention schedule.

Contract Reporting and Management

24 Contract Reporting

- (a) The Procurement Team requests contract updates from the Division. The information is cross-referenced to the Contracts Report retrieved from Power BI.
- (b) The Procurement Team updates and submits the contract report monthly to the Grants Reporting Team and to the HCD Communications Team.
- (c) The Grants Reporting Team reviews the reports and notifies the Procurement Team of any discrepancies in the reports.
- (d) The Grants Reporting Team submits the report according to the requirements set by the grantor (i.e., HUD or GLO), federal regulations, federal registers, and other required provisions.⁸¹
- (e) The Communications Team uploads the contract information on the HCD website according to the requirements set by the grantor (i.e., HUD or GLO), federal regulations, federal registers, and other required provisions.⁸²
- (f) The Procurement Team performs a thorough review of the information on the website and the contract report to ensure that the information aligns.

Note: *The contract reporting process also applies to reconciling earlier contracts.*

25 Contract Management

- (a) The Procurement Team uses Power BI and SAP to manage contract and Service Release Order (SRO) information relating to goods and services.

⁸¹ The Grants Reporting Team submits the DR-17 Contract Report to the GLO at cdrsubsreporting@recovery.texas.gov on the 15th day of each month.

⁸² Website requirements for DR-24 are listed in [Federal Register, Vol. 87, No. 100 31636, May 2022, section IIID.1.e.](#)

- (b) The Procurement Team retrieves each contract package according to the contracts listed on the report to analyze for accuracy. Any discrepancies will be noted to discuss with the Division, Budget Team, Accounts Payable Team, and the Reimbursement Team.⁸³
 - (i) The contract report helps the Division track the contract and SRO spend.
 - (ii) The contract report assists the Procurement Team in identifying contracts with end dates that need to be extended.
 - (iii) The contract report helps the Procurement and Budget Team identify SROs that need to be liquidated because the contract has expired, funds will not be used, and/or to correct discrepancies.
 - (iv) The contract report helps the Accounts Payable Team resolve discrepancies in the vendor invoice report.
 - (v) Thereafter, any resolved discrepancies in the contract report or vendor invoice report are used to assist the Reimbursement Team with discrepancies in the reimbursement requests.

Monitoring

In compliance with [2 CFR §200.318\(b\)](#), Division staff will oversee contractor performance to ensure compliance with contract and purchase order requirements, following established policies and procedures.

Violations

- (a) If any contract, work, purchase order, or sale is found to have been made in violation of the COH and HCDD Conflict of Interest Policies, HCD DPR shall publish a formal notice of cancellation or notify SPD to do so. Consequences of violation may result in the procurement being null, void, and discontinued. New arrangements shall be entered in the case of the incipency of such contract, work, purchase, or sale.
- (b) COH officers or employees, agents, contractors, or subrecipients who violate procurement policies are subject to disciplinary actions up to and including indefinite suspension.
- (c) Suspected violations of conflict of interest and other provisions will be reported to the Office of Inspector General of the COH for

⁸³ The Budget Team, Accounts Payable Team and Procurement Team are all housed within HCDD Finance Division.

investigation.⁸⁴ If criminal actions are suspected, prosecution will be pursued, and punishment sought consistent with the Local Government Code.⁸⁴

- (d) Any dispute between the department and a contractor or vendor will first be mediated through a meeting with the Director. If the contractor is still not satisfied, the issue will be directed to SPD, Office of the Chief Procurement Officer of the COH, for resolution.⁸⁵
- (e) Per 2 CFR §200.318(k), the City must report violations of law to the Federal, State, or local authority with proper jurisdiction.
- (f) Any suspected fraud, waste, or abuse, including violations found in Title 18 of the USC or False Claims Act (31 USC §§3729-3733), will be reported following the procedures outlined in the latest HCD Fraud, Waste, and Abuse Policy and SOP.
- (g) Any suspected or reported violations of the Davis-Bacon Act and Copeland Anti-Kickback Act requirements must be reported to the Federal awarding agency. (Appendix II to Part 200, D).
- (h) Any suspected or reported violations of the Clean Air Act and the Federal Water Pollution Control Act must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). (Appendix II to Part 200, G).

Policy Review

In accordance with the Department's Governing Document Policy, this document will be reviewed biennially, or as needed, to ensure compliance with applicable federal, state, and local laws and regulations.

⁸⁴ [COH A.P. 2-22: Conflict of Interest](#)

⁸⁵ [2 CFR §200.318\(k\): Settlement of contractual and administrative issues](#)

Change Log

1.0 – Adopted 10/03/2009

- Original Version

2.0 – Adopted 08/29/2013

- No Changes

3.0 – Adopted 07/21/2016

- No Changes

4.0 – Adopted 10/16/2019

- Expanded references
- Expanded definitions
- Clarified “bid splitting” provision
- Purchase card limits updated to reflect Administrative Policy 5-6 (July 2, 2015)
- Transition of RFP process to COH CPO
- Addition of a section for reviewing file completeness and retention
- Formatting updates
- Federal Procurement Checklist Update
- Addition of debarment language

4.1 – Adopted 08/09/2022

- Added procedures for Contract Reporting
- Updated references

4.2 – Adopted 09/18/2025

- Referenced Universal Notice
- Revised HCD Departmental Purchasing Unit to HCD Departmental Representative
- Revised small purchase amount to less than \$100,000
- Added that contracts over \$100,000 will be submitted to SPD for requisition
- Added that sole source procurements over \$100,000 must be approved by the City Council
- Added contract provisions
- Updated procurement checklist

5.0 – Adopted 01/21/2026

- Complete Overhaul
- Formatting Updated
- Updated language throughout to reflect the latest updates to 2 CFR §200

- Added Contract Provisions
- Clarified that the micro-purchase threshold is the limit set by the City
- Added Alternative Procurement Policies and Procedures
- Added Pre-Procurement Review Requirements
- Supplanted Procurement Checklist with HUD's adopted and adapted DR-Procurement Checklists
- Added requirements for posting a description of contracts to the website.
- Added SPD's processes for RFP, RFQ, and BVB processes, including the process for Invitation to Bid.
- Added procurement policy when using CDBG-DR for non-federal match
- Added recovered materials requirements
- Incorporated all requirements of contract cost and price
- Revised simplified acquisition threshold, informal procurement, and formal procurement amounts.
- Added Appendices A and B

Appendix A: Procurement Solicitation Checklist

1

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

GENERAL INFORMATION

Complete the yellow cells as applicable.

This workbook completed by (name and title):

This workbook QC'd by (name and title):

Project Owner Name

Project Name or Description

Project or Agreement No.

General/Prime Contractor Name

Original Contract Amount

Final Contract Amount (including change orders)

Cost analyses performed for all contract modifications involving budget increase or decrease

Project scope, budget and term of performance did not increase enough to warrant re-procurement under the project owner's policies

Environmental review amended if necessary to account for scope increase or modification

The following checklists in this workbook have been completed for this procurement (check all that apply):

- Micropurchase
- Small Purchase
- Construction or Property over the Simplified Acquisition Threshold
- Non-A&E Services over the Simplified Acquisition Threshold
- A&E Services over the Simplified Acquisition Threshold
- Noncompetitive Procurement

The project owner is: (Check the appropriate options below)

- State grantee**
- If project owner is a State grantee, which procurement rules are they following? (Check one)
 - State has adopted 2 CFR 200.318 through 200.327 for itself and all subrecipients
 - State follows its own procurement policies and procedures and establishes requirements for procurement processes for local governments and subrecipients based on full and open competition pursuant to 24 CFR 570.489(g)
 - State has adopted 2 CFR 200.317, meaning that it will follow its own state procurement processes and evaluate the cost or price of the product or service, but impose 2 CFR 200.318 through 200.327 on its subrecipients.
- Subrecipient to a state grantee**
- If project owner is a subrecipient/local government to a state grantee, which procurement rules are they following? (Check one)
 - 2 CFR 200.318 through 200.327
 - A procurement process established by the state based on full and open competition
- Entitlement grantee following 2 CFR 200.318 through 200.327**
- Subrecipient to an entitlement grantee following 2 CFR 200.318 through 200.327**

Note that entitlement grantees and local government subrecipients must follow state and local procurement rules where they are more restrictive than federal rules. Also, state grantees following their own procurement rules must still comply with 2 CFR 200.321 (M/WBE), 200.322 (Domestic preference) and 200.323 (Recovered Materials) and ensure that all purchase orders or contracts incorporate applicable provisions of Appendix II to 2 CFR 200.

MICROPURCHASE PROCUREMENT

Complete the checklist in Column A by selecting from the dropdown menus. Type information into the yellow cells in Columns B and C if applicable.

Requirement Satisfied & Documented	Requirement	Regulatory Citation
MICROPURCHASE THRESHOLD		
	Grantee's micropurchase threshold is (select <i>ONE</i> of the following) :	
	-The Federal Acquisition Regulation threshold (currently \$10K) per FAR 2.101	2 CFR 200.320(a)
	-A lower threshold established by the grantee under state or local code:	2 CFR 200.320(a)
	<i>More than \$100 but equal to or less than \$3000.</i>	COH A.P. 5-6
	-Under \$50K and grantee self-certifies annually that it meets one of the conditions under 2 CFR 200.320(a)(1)(iv) pertaining to grantee capacity and risk	2 CFR 200.320(a)(1)(iv)
	-Over \$50K and grantee has received written approval from HUD or other applicable cognizant agency	2 CFR 200.320(a)(1)(v)
	<i>[Enter approved micropurchase threshold here and include approval in file]</i>	
MICROPURCHASE DISTRIBUTION AND AWARD		
	Purchase does not exceed the micropurchase threshold identified above	2 CFR 200.320(a)(1)(i)
	Lease vs. purchase or other analysis was conducted to ensure the most economical approach to procurement	2 CFR 200.318(d)
	Purchase is distributed equitably among suppliers to the maximum extent feasible	2 CFR 200.320(a)(1)(i)
	If using a purchase card, the City has documented and approved purchase card procedures	2 CFR 200.320(a)(ii)
	Federal, state (when applicable), and local debarment checks performed and qualifications verified for selected vendor	2 CFR 200.318(h)
	Purchase is reasonable based on the following (research, experience, purchase history or other information):	2 CFR 200.320(a)(ii)
	<i>[Enter explanation of cost reasonableness here and include supporting documentation in file if applicable]</i>	
	Contract includes applicable provisions of 2 CFR 200, Appendix II	2 CFR 200.327
CONTRACTING WITH SMALL, MINORITY, VETERAN-OWNED AND/OR WOMEN'S BUSINESS ENTERPRISE OR LABOR SURPLUS AREA FIRMS		
	This product or service was purchased from a small, minority, veteran, or women's business enterprise or labor surplus area firm (place documentation in file) OR	2 CFR 200.321
	The following effort(s) were made to contract with small, minority, veteran, and/or women's business enterprises or labor surplus area firms for this purchase:	2 CFR 200.321
	-Prices were sought from one or more of these types of firms for this purchase	
	-Total purchase requirements were divided into smaller tasks or quantities to permit maximum participation by these firms	
	-Delivery schedules were coordinated to encourage participation by small and minority businesses, and women's business enterprises	
	-A request for quote was distributed to a M/W/DBE listserv or other distribution list	
	-Other efforts were made to do business with one or more of these types of firms as follows:	
	<i>[Describe additional efforts here]</i>	
FEDERAL FORMS		
	Certification Regarding Debarment, Suspension, and Other Responsibility Matters	2 CFR 180

SMALL PURCHASE PROCUREMENT

Complete the checklist in Column A by selecting from the dropdown menus. Type information into the yellow cells in Columns B and C if applicable.

IMPORTANT NOTE: Design-build contracts are prohibited by 2 CFR 200.319(b).

Requirement Satisfied & Documented	Requirement	Regulatory Citation
SMALL PURCHASE THRESHOLD		
	City's Small Purchase Threshold is:	2 CFR 200.320(a)(2)(i)
	-The Simplified Acquisition Threshold (currently \$250K) identified in FAR 2.101	
	-Other threshold as authorized by state or local code:	
	<i>More than \$3000, but equal to or less than \$100,000</i>	Texas Local Gov't Code 252
SMALL PURCHASE STEPS FOR ALL PROJECTS OR PRODUCTS (Complete this section for ALL small purchases, then complete whichever of the next two sections applies to your project)		
	Clear scope of work or technical specifications developed to ensure consistent evaluation of bids or quotes	2 CFR 200.319(d)(1)
	Lease vs. purchase or other analysis was conducted to ensure the most economical approach to procurement	2 CFR 200.318(d)
	Informal cost estimate performed on scope of work or specifications to determine appropriate dollar threshold for procurement	2 CFR 200.318(i)
	Purchase does not exceed the Simplified Acquisition Threshold or other small purchase threshold as indicated above	2 CFR 200.320(a)(2)(i)
	Contract includes applicable provisions of 2 CFR 200, Appendix II	2 CFR 200.327
ADDITIONAL STEPS FOR NON-CONSTRUCTION PROJECTS OR PRODUCTS (Complete this section for small purchase construction management services and non-construction products and services)		
	Price or rate quotes obtained from at least two qualified sources (if only one quote was obtained, follow checklist for Noncompetitive Procurement)	2 CFR 200.320(a)(2)(i)
	Domestic preference applied for items produced in the United States	2 CFR 200.322
	All items procured comply with Section 6002 of the Solid Waste Disposal Act regarding recovered materials and procurement of solid waste contracts	2 CFR 200.323
	Cost reasonableness documented by performing price analysis of all qualified quotes	2 CFR 200.403(a)
	Conflict of interest disclosure and certification obtained from selected vendor	2 CFR 200.319(c)
	Federal, state (when applicable) and local debarment checks performed on selected vendor	2 CFR 200.214
	State or local governing body approval obtained (if over required threshold)	[State or local citation]
ADDITIONAL STEPS FOR CONSTRUCTION PROJECTS (Complete this section for construction services. For small purchase construction management services, complete the previous section.)		
	Environmental clearance (Authority to Use Grant Funds) obtained or project converted to Exempt under 24 CFR 58.34	24 CFR 58.22
	Bid package assembled:	2 CFR 200.319(d)(1)
	-Invitation for bid or other general information for bidders including notice of funding source requirements	
	-Specifications or scope of work (do not include cost estimate or other budget information)	
	-Sample federal, state and/or local contract terms as applicable.	
	-If project cost is over \$2K in federal funds (based on estimate): 1. Federal Labor Standards (HUD-4010) 2. Applicable federal and state wage determinations*	
	*Federal labor standards do not apply to demolition without an end use or projects involving at least 8 (CDBG) or 12 (HOME) residential units	
	-If project cost is over \$200K in HUD funds (based on estimate): 1. Section 3 contract clause, 2. Certification, and 3. Reporting form templates**	
	**Section 3 applies to new construction, rehab or demolition of housing, public facilities and/or infrastructure	
	-Bonding and insurance as required by state or local code	[State or local citation]
	At least two qualified bids obtained via one of the following methods (if only one bid was obtained, follow checklist for Noncompetitive Procurement):	
	-Direct solicitation from an adequate number of qualified bidders	2 CFR 200.320(a)(2)(i)
	-Bid opening advertised if required by state or local code	[State or local citation]
	Cost reasonableness documented by performing price analysis of all qualified quotes	2 CFR 200.403(a)
	Conflict of interest disclosure and certification obtained from selected vendor	2 CFR 200.319(c)
	Federal and state debarment checks performed and qualifications verified for selected vendor	2 CFR 200.318(h)
	Governing body approval obtained (if over required state or local threshold)	[State or local citation]
CONTRACTING WITH SMALL, MINORITY, VETERAN, AND/OR WOMEN'S BUSINESS ENTERPRISE OR LABOR SURPLUS AREA FIRMS		
	This product or service was purchased from a small, minority, veteran, or women's business enterprise or labor surplus area firm (place documentation in file) OR	2 CFR 200.321(b)(1-6)
	The following effort(s) were made to contract with small, minority, veteran, and/or women's business enterprises or labor surplus area firms for this purchase:	2 CFR 200.321(b)(1-6)
	-Prices were sought from one or more of these types of firms for this purchase	
	-Total purchase requirements were divided into smaller tasks or quantities to permit maximum participation by these firms	
	-Delivery schedules were coordinated to encourage participation by small and minority businesses, and women's business enterprises	
	-A request for quote was distributed to a M/W/DBE listserv or other distribution list	
	-Other efforts were made to do business with one or more of these types of firms as follows:	
	[Describe additional efforts here]	
COMPETITION		
	Procurement did not include any of the following conditions that are restrictive of competition:	2 CFR 200.319(b)
	-Submission of bid from contractors who were involved in development of specifications or other procurement solicitation documents	
	-Placing unreasonable requirements on firms in order for them to qualify to do business	
	-Requiring unnecessary experience and excessive bonding	
	-Noncompetitive pricing practices between firms or between affiliated companies	
	-Noncompetitive contracts to consultants that are on retainer contracts	
	-Organizational conflicts of interest	
	-Specifying only a "brand name" product instead of allowing "an equal" product to be offered	
	-Any arbitrary action in the procurement process	
	Procurement did not impose geographic preferences except where required by federal statute	2 CFR 200.319(c)
	If a pre-qualified list was used, the list was current and included enough qualified sources to ensure maximum open and free competition	2 CFR 200.319(e)
PRE-PROCUREMENT REVIEW		
	Pre-procurement review requested by HUD (or pass-through entity as applicable) on:	2 CFR 200.325
	[Enter date pre-procurement review was requested]	
	Procurement solicitation documents provided to HUD (or pass-through entity as applicable) on:	2 CFR 200.325
	[Enter date procurement solicitation documents were provided]	
	Results of pre-procurement review: (select one)	
	-No changes required	
	-Changes were required and have been implemented	
FEDERAL FORMS		
	Certification Regarding Debarment, Suspension, and Other Responsibility Matters	2 CFR 180

PROCUREMENT OF CONSTRUCTION OR PERSONAL PROPERTY OVER THE SIMPLIFIED ACQUISITION THRESHOLD

Complete the checklist in Column A by selecting from the dropdown menus. Type information into the yellow cells in Columns B and C if applicable.

IMPORTANT NOTE: Design-build contracts are prohibited by 2 CFR 200.319(b).

Requirement Satisfied & Documented	Requirement	Regulatory Citation
GENERAL REQUIREMENTS FOR PROCUREMENT OF CONSTRUCTION OR PERSONAL PROPERTY OVER THE SIMPLIFIED ACQUISITION THRESHOLD (SAT)		
	Project owner is following documented procurement procedures	2 CFR 200.320(b)
	The project meets all of the following conditions for sealed bids. If it does not meet all three, check if it meets the methods for professional services.	2 CFR 200.320(b)(1)(i)
	-A complete, adequate, and realistic specification or purchase description is available	
	-Two or more responsible bidders are willing and able to compete effectively for the business	
	-The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price	
PROCESS STEPS FOR PROCUREMENT OF CONSTRUCTION OR PROPERTY OVER THE SIMPLIFIED ACQUISITION THRESHOLD (SAT)		
	Clear scope of work or specifications developed to ensure consistent evaluation of bids	2 CFR 200.319(d)(1)
	Lease vs. purchase or other analysis was conducted to ensure the most economical approach to procurement	2 CFR 200.318(d)
	Independent cost estimate performed on scope of work or specifications	2 CFR 200.318(i)
	Environmental clearance (Authority to Use Grant Funds) obtained or project converted to Exempt under 24 CFR 58.34	24 CFR 58.22
	Bid package assembled:	2 CFR 200.319(d)(1)
	-Invitation for bid that includes notice of funding source requirements and time and place of bid opening	
	-Specifications or scope of work (do not include cost estimate or other budget information)	
	-Sample federal, state and/or local contract terms as applicable.	
	-Bonding and insurance requirements	2 CFR 200.326
	-Construction over \$2K in federal funds (based on estimate): Federal Labor Standards (HUD-4010), applicable federal and state wage determinations*	
	*Davis Bacon does not apply to demolition without an end use or projects involving at least 8 (CDBG) or 12 (HOME) residential units	
	-Construction over \$200K in HUD funds (based on estimate): Section 3 contract clause, certification, and reporting form templates**	
	**Section 3 applies to new construction, rehab or demolition of housing, public facilities and/or infrastructure	
	Invitation for Bid publicly advertised	2 CFR 200.320(b)
	Bidders were provided sufficient response time prior to the date set for opening the bids	2 CFR 200.320(b)(1)(ii)(A)
	Public bid opening held at time and place advertised	2 CFR 200.320(b)(1)(ii)(C)
	At least two bids received from qualified vendors (if only one bid was obtained, follow checklist for Noncompetitive Procurement)	
	Bids are tabulated and verified, taking into account factors such as discounts, transportation cost, and life cycle costs if specified in bid documents	2 CFR 200.320(b)(1)(ii)(D)
	Domestic preference applied for items produced in the United States	2 CFR 200.322
	All items procured comply with Section 6002 of the Solid Waste Disposal Act regarding recovered materials and procurement of solid waste contracts	2 CFR 200.323
	Cost reasonableness documented by performing price analysis of all qualified bids	2 CFR 200.403(a)
	Conflict of interest disclosure and certification obtained from selected vendor	2 CFR 200.319(c)
	Federal and state debarment checks performed and qualifications verified for selected vendor	2 CFR 200.318(h)
	Governing body approval obtained (if over required state or local threshold)	[State or local citation]
	Bonds and insurance obtained from vendor, if applicable	2 CFR 200.326
	Firm fixed price contract awarded to the lowest responsible and responsive bidder	2 CFR 200.320(b)(1)(ii)(D)
	Contract includes applicable provisions of 2 CFR 200, Appendix II	2 CFR 200.327
CONTRACTING WITH SMALL, MINORITY, VETERAN AND/OR WOMEN'S BUSINESS ENTERPRISE OR LABOR SURPLUS AREA FIRMS		
	This product or service was purchased from a small, minority veteran, or women's business enterprise or labor surplus area firm (place documentation in file) OR	2 CFR 200.321(b)(1-6)
	The following effort(s) were made to contract with small, minority, veteran, and/or women's business enterprises or labor surplus area firms for this purchase:	2 CFR 200.321(b)(1-6)
	-Prices were sought from one or more of these types of firms for this purchase	
	-Total purchase requirements were divided into smaller tasks or quantities to permit maximum participation by these firms	
	-Delivery schedules were coordinated to encourage participation by small and minority businesses, and women's business enterprises	
	-A request for quote was distributed to a M/W/DBE listserv or other distribution list	
	-Other efforts were made to do business with one or more of these types of firms as follows:	
	[Describe additional efforts here]	
COMPETITION		
	This procurement did not include any of the following conditions that are restrictive of competition:	2 CFR 200.319(b)
	-Submission of bid from contractors who were involved in development of specifications or other procurement solicitation documents	
	-Placing unreasonable requirements on firms in order for them to qualify to do business	
	-Requiring unnecessary experience and excessive bonding	
	-Noncompetitive pricing practices between firms or between affiliated companies	
	-Noncompetitive contracts to consultants that are on retainer contracts	
	-Organizational conflicts of interest	
	-Specifying only a "brand name" product instead of allowing "an equal" product to be offered	
	-Any arbitrary action in the procurement process	
	This procurement did not impose geographic preferences except where required by federal statute	2 CFR 200.319(c)
	If a pre-qualified list was used, the list was current and included enough qualified sources to ensure maximum open and free competition	2 CFR 200.319(e)
PRE-PROCUREMENT REVIEW		
	Pre-procurement review requested by HUD (or pass-through entity as applicable) on:	2 CFR 200.325
	[Enter date pre-procurement review was requested]	
	Procurement solicitation documents provided to HUD (or pass-through entity as applicable) on:	2 CFR 200.325
	[Enter date procurement solicitation documents were provided]	
	Results of pre-procurement review: (select one)	
	-No changes required	
	-Changes were required and have been implemented	
FEDERAL FORMS		
	Certification Regarding Debarment, Suspension, and Other Responsibility Matters	2 CFR 180
	Certification of Lobbying	31 U.S.C. 1352 and 24 CFR 87.110

PROCUREMENT OF NON-A&E SERVICES OVER THE SIMPLIFIED ACQUISITION THRESHOLD

Complete the checklist in Column A by selecting from the dropdown menus. Type information into the yellow cells in Columns B and C if applicable.

IMPORTANT NOTE: Design-build contracts are prohibited by 2 CFR 200.319(b).

Requirement Satisfied & Documented	Requirement	Regulatory Citation
GENERAL REQUIREMENTS FOR NON-A&E SERVICES PROCUREMENT OVER THE SIMPLIFIED ACQUISITION THRESHOLD (SAT)		
	Project owner is following documented procurement procedures that include a written method for evaluating proposals and making selections	2 CFR 200.320(b)
	The project does NOT meet the conditions for sealed bid procurement:	2 CFR 200.320(b)(2)
	-A complete, adequate, and realistic specification or purchase description is available	
	-Two or more responsible bidders are willing and able to compete effectively for the business	
	-The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price	
PROCESS STEPS FOR NON-A&E SERVICES PROCUREMENT OVER THE SIMPLIFIED ACQUISITION THRESHOLD (SAT)		
	Clear scope of services developed to ensure consistent evaluation of proposals	2 CFR 200.319(d)(1)
	Lease vs. purchase or other analysis was conducted to ensure the most economical approach to procurement	2 CFR 200.318(d)
	Independent cost estimate performed on scope of services	2 CFR 200.318(i)
	Proposal solicitation package assembled:	
	-Request for Proposals that includes notice of funding source requirements	
	-Specifications or scope of services (do not include cost estimate or other budget information)	
	-Sample federal, state and/or local contract terms as applicable	
	-Proposal evaluation factors and their relative importance	2 CFR 200.320(b)(2)(iii)
	Request for Proposals publicly advertised	2 CFR 200.320(b)(2)(i)
	At least two proposals received from qualified vendors (if only one bid was obtained, follow checklist for Noncompetitive Procurement)	
	Proposals evaluated and ranked according to the published rubric	2 CFR 200.320(b)(1)(ii)(D)
	Best and Final Offers obtained according to state or local requirements	[State or local citation]
	Cost reasonableness documented by performing cost analysis on the winning proposal	2 CFR 200.403(a)
	Conflict of interest disclosure and certification obtained from selected vendor	2 CFR 200.319(c)
	Independent cost estimate performed before receiving bids or proposals	2 CFR 200.324(a)
	Federal and state debarment checks performed and qualifications verified for selected vendor	2 CFR 200.318(h)
	Governing body approval obtained (if over required state or local threshold)	[State or local citation]
	Contract awarded to the responsible vendor whose proposal is most advantageous with price and other factors considered	2 CFR 200.320(b)(2)(iii)
	Contract includes applicable provisions of 2 CFR 200, Appendix II	2 CFR 200.327
CONTRACTING WITH SMALL, MINORITY, VETERAN, AND/OR WOMEN'S BUSINESS ENTERPRISE OR LABOR SURPLUS AREA FIRMS		
	This product or service was purchased from a small, minority, veteran, or women's business enterprise or labor surplus area firm (place documentation in file) OR	2 CFR 200.321(b)(1-6)
	The following effort(s) were made to contract with small, minority, veteran, and/or women's business enterprises or labor surplus area firms for this purchase:	2 CFR 200.321(b)(1-6)
	-Prices were sought from one or more of these types of firms for this purchase	
	-Total purchase requirements were divided into smaller tasks or quantities to permit maximum participation by these firms	
	-Delivery schedules were coordinated to encourage participation by small and minority businesses, and women's business enterprises	
	-A request for quote was distributed to a M/W/DBE listserv or other distribution list	
	-Other efforts were made to do business with one or more of these types of firms as follows:	
	[Describe additional efforts here]	
COMPETITION		
	This procurement did not include any of the following conditions that are restrictive of competition:	2 CFR 200.319(b)
	-Submission of bid from contractors who were involved in development of specifications or other procurement solicitation documents	
	-Placing unreasonable requirements on firms in order for them to qualify to do business	
	-Requiring unnecessary experience and excessive bonding	
	-Noncompetitive pricing practices between firms or between affiliated companies	
	-Noncompetitive contracts to consultants that are on retainer contracts	
	-Organizational conflicts of interest	
	-Specifying only a "brand name" product instead of allowing "an equal" product to be offered	
	-Any arbitrary action in the procurement process	
	This procurement did not impose geographic preferences except where required by federal statute	2 CFR 200.319(c)
	If a pre-qualified list was used, the list was current and included enough qualified sources to ensure maximum open and free competition	2 CFR 200.319(e)
PRE-PROCUREMENT REVIEW		
	Pre-procurement review requested by HUD (or pass-through entity as applicable) on:	2 CFR 200.325
	[Enter date pre-procurement review was requested]	
	Procurement solicitation documents provided to HUD (or pass-through entity as applicable) on:	2 CFR 200.325
	[Enter date procurement solicitation documents were provided]	
	Results of pre-procurement review: (select one)	
	-No changes required	
	-Changes were required and have been implemented	
FEDERAL FORMS		
	Certification Regarding Debarment, Suspension, and Other Responsibility Matters	2 CFR 180
	Certification of Lobbying	31 U.S.C. 1352 and 24 CFR 87.110

PROCUREMENT OF ARCHITECTURAL & ENGINEERING (A&E) SERVICES OVER THE SIMPLIFIED ACQUISITION THRESHOLD

Complete the checklist in Column A by selecting from the dropdown menus. Type information into the yellow cells in Columns B and C if applicable.

IMPORTANT NOTE: Design-build contracts are prohibited by 2 CFR 200.319(b).

Requirement Satisfied & Documented	Requirement	Regulatory Citation
GENERAL REQUIREMENTS FOR A&E SERVICES PROCUREMENT OVER THE SIMPLIFIED ACQUISITION THRESHOLD (SAT)		
	Project owner is following documented procurement procedures that include a written method for evaluating proposals and making selections	2 CFR 200.320(b)
	The project consists of architectural and engineering services and does NOT meet the conditions for sealed bid procurement:	2 CFR 200.320(b)(2)
	-A complete, adequate, and realistic specification or purchase description is available	
	-Two or more responsible bidders are willing and able to compete effectively for the business	
	-The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price	
PROCESS STEPS FOR A&E SERVICES PROCUREMENT OVER THE SIMPLIFIED ACQUISITION THRESHOLD (SAT)		
	Clear scope of services developed to ensure consistent evaluation of qualifications	2 CFR 200.319(d)(1)
	Lease vs. purchase or other analysis was conducted to ensure the most economical approach to procurement	2 CFR 200.318(d)
	Independent cost estimate performed on scope of services	2 CFR 200.318(i)
	Qualifications solicitation package assembled:	
	-Request for Qualifications that includes notice of funding source requirements	
	-Specifications or scope of services (do not include cost estimate or other budget information)	
	-Sample federal, state and/or local contract terms as applicable	
	-Qualifications evaluation factors and their relative importance	2 CFR 200.320(b)(2)(iii)
	-Price submitted separately if required by state or local code	[State or local citation]
	Request for Qualifications publicly advertised	2 CFR 200.320(b)(2)(i)
	Qualifications evaluated and ranked according to the published rubric	2 CFR 200.320(b)(1)(ii)(D)
	Fair and reasonable compensation negotiated with vendors in order of most to least qualified	[State or local citation]
	Cost reasonableness documented by performing cost analysis on the selected vendor's pricing proposal	2 CFR 200.403(a)
	Conflict of interest disclosure and certification obtained from selected vendor	2 CFR 200.319(c)
	Federal and state debarment checks performed and qualifications verified for selected vendor	2 CFR 200.318(h)
	Governing body approval obtained (if over required state or local threshold)	[State or local citation]
	Contract awarded to the most qualified vendor whose costs are fair and reasonable	2 CFR 200.320(b)(2)(iii)
	Contract includes applicable provisions of 2 CFR 200, Appendix II	2 CFR 200.327
CONTRACTING WITH SMALL, MINORITY, VETERAN, AND/OR WOMEN'S BUSINESS ENTERPRISE OR LABOR SURPLUS AREA FIRMS		
	This product or service was purchased from a small, minority, veteran, or women's business enterprise or labor surplus area firm (place documentation in file) OR	2 CFR 200.321(b)(1-6)
	The following effort(s) were made to contract with small, minority, veteran, and/or women's business enterprises or labor surplus area firms for this purchase,	2 CFR 200.321(b)(1-6)
	-Prices were sought from one or more of these types of firms for this purchase	
	-Total purchase requirements were divided into smaller tasks or quantities to permit maximum participation by these firms	
	-Delivery schedules were coordinated to encourage participation by small and minority businesses, and women's business enterprises	
	-A request for quote was distributed to a M/W/DBE listserv or other distribution list	
	-Other efforts were made to do business with one or more of these types of firms as follows:	
	[Describe additional efforts here]	
COMPETITION		
	This procurement did not include any of the following conditions that are restrictive of competition:	2 CFR 200.319(b)
	-Submission of bid from contractors who were involved in development of specifications or other procurement solicitation documents	
	-Placing unreasonable requirements on firms in order for them to qualify to do business	
	-Requiring unnecessary experience and excessive bonding	
	-Noncompetitive pricing practices between firms or between affiliated companies	
	-Noncompetitive contracts to consultants that are on retainer contracts	
	-Organizational conflicts of interest	
	-Specifying only a "brand name" product instead of allowing "an equal" product to be offered	
	-Any arbitrary action in the procurement process	
	If geographic preferences were a factor in the evaluation of proposals, these preferences did not result in inadequate competition.	2 CFR 200.319(c)
	If a pre-qualified list was used, the list was current and included enough qualified sources to ensure maximum open and free competition	2 CFR 200.319(e)
PRE-PROCUREMENT REVIEW		
	Pre-procurement review requested by HUD (or pass-through entity as applicable) on:	2 CFR 200.325
	[Enter date pre-procurement review was requested]	
	Procurement solicitation documents provided to HUD (or pass-through entity as applicable) on:	2 CFR 200.325
	[Enter date procurement solicitation documents were provided]	
	Results of pre-procurement review: (select one)	
	-No changes required	
	-Changes were required and have been implemented	
FEDERAL FORMS		
	Certification Regarding Debarment, Suspension, and Other Responsibility Matters	2 CFR 180
	Certification of Lobbying	31 U.S.C. 1352 and 24 CFR 87.110

NONCOMPETITIVE PROCUREMENT OVER THE MICROPURCHASE THRESHOLD

Complete the checklist in Column A by selecting from the dropdown menus. Type information into the yellow cells in Columns B and C if applicable.

IMPORTANT NOTE: Design-build contracts are prohibited by 2 CFR 200.319(b).

Requirement Satisfied & Documented	Requirement	Regulatory Citation
GENERAL REQUIREMENTS FOR NONCOMPETITIVE PROCUREMENT		
	This procurement is noncompetitive due to one or more of the following circumstances: <i>(Check all that apply)</i>	2 CFR 200.320(c)
	-The item is available only from a single source	
	-Public exigency or emergency will not permit a delay resulting from publicizing a competitive solicitation	
	-Written permission from HUD (or the State if project owner is a state subrecipient) has been obtained	
	-After solicitation of a number of sources, competition is determined inadequate	
	-Aggregate amount of procurement transaction doesnot exceed the micropurchase threshold amount, \$3000	COH A.P. 5-6
NONCOMPETITIVE PROCUREMENT PROCESS		
	Cost reasonableness documented by performing cost analysis on the vendor's pricing proposal	2 CFR 200.403(a)
	Conflict of interest disclosure and certification obtained from selected vendor	2 CFR 200.319(c)
	Profit negotiated as a separate element of the price based on the following factors:	2 CFR 200.324(b)
	-The complexity of the work to be performed	
	-The risk borne by the contractor	
	-The contractor's investment	
	-The amount of work to be subcontracted	
	-Contractor's past record of performance	
	-Industry profit rates in the surrounding geographical area for similar work	
	Federal and state debarment checks performed and qualifications verified for vendor	2 CFR 200.318(h)
	Governing body approval obtained (if over required state or local threshold)	[State or local citation]
	Bonds and insurance obtained from vendor, if applicable	2 CFR 200.326
	Contract awarded to the vendor	2 CFR 200.320(b)(2)(iii)
	Contract includes applicable provisions of 2 CFR 200, Appendix II	2 CFR 200.327
CONTRACTING WITH SMALL, MINORITY, VETERAN, AND/OR WOMEN'S BUSINESS ENTERPRISE OR LABOR SURPLUS AREA FIRMS		
	This product or service was purchased from a small, minority, veteran, or women's business enterprise or labor surplus area firm (place documentation in file) OR	2 CFR 200.321(b)(1-6)
	The following effort(s) were made to contract with small, minority, veteran, and/or women's business enterprises or labor surplus area firms for this purchase:	2 CFR 200.321(b)(1-6)
	-Prices were sought from one or more of these types of firms for this purchase	
	-Total purchase requirements were divided into smaller tasks or quantities to permit maximum participation by these firms	
	-Delivery schedules were coordinated to encourage participation by small and minority businesses, and women's business enterprises	
	-A request for quote was distributed to a M/W/DBE listserv or other distribution list	
	-Other efforts were made to do business with one or more of these types of firms as follows:	
	<i>[Describe additional efforts here]</i>	
COMPETITION		
	This procurement did not include any of the following conditions that are restrictive of competition:	2 CFR 200.319(b)
	-Submission of bid from contractors who were involved in development of specifications or other procurement solicitation documents	
	-Placing unreasonable requirements on firms in order for them to qualify to do business	
	-Requiring unnecessary experience and excessive bonding	
	-Noncompetitive pricing practices between firms or between affiliated companies	
	-Noncompetitive contracts to consultants that are on retainer contracts	
	-Organizational conflicts of interest	
	-Specifying only a "brand name" product instead of allowing "an equal" product to be offered	
	-Any arbitrary action in the procurement process	
	This procurement did not impose geographic preferences except where required by federal statute	2 CFR 200.319(c)
	If a pre-qualified list was used, the list was current and included enough qualified sources to ensure maximum open and free competition	2 CFR 200.319(e)
PRE-PROCUREMENT REVIEW		
	Pre-procurement review requested by HUD (or pass-through entity as applicable) on:	2 CFR 200.325
	<i>[Enter date pre-procurement review was requested]</i>	
	Procurement solicitation documents provided to HUD (or pass-through entity as applicable) on:	2 CFR 200.325
	<i>[Enter date procurement solicitation documents were provided]</i>	
	Results of pre-procurement review: (select one)	
	-No changes required	
	-Changes were required and have been implemented	
FEDERAL FORMS		
	Certification Regarding Debarment, Suspension, and Other Responsibility Matters	2 CFR 180
	Certification of Lobbying	31 U.S.C. 1352 and 24 CFR 87.110

Appendix B: Procurement Compliance Checklist

THRESHOLD DOCUMENTS

Use the following table to identify the documentation needed when conducting procurement reviews to evaluate compliance with Title 2 CFR Part 200. Determine the procurement method used by the non-Federal entity (recipient or subrecipient), and the status of the procurement (i.e., drafted, published or awarded). Select the procurement method from the drop down options below. ***Those items marked with an "X" indicate the minimum, required documentation that must be provided for the review*** . Request any and all missing documentation prior to completing the review.

NOTE: This tool will automatically filter to show applicable fields based on your inputs in this tab and at the top of the procurement review checklist tab.

Select Procurement Method / Type >>>

Sealed Bid

["(Show All)"] displays the documentation lists for all procurement methods / types.]

METHOD TYPE	DRAFT	PUBLISHED	AWARDED
+ COMPETITIVE > REQUEST for QUALIFICATIONS			
Independent Cost Estimate			
Solicitation Documents			
Example Contract			
Evidence of Advertising (to include MWBEs)			
Submitted Proposals			
Scoring Sheets			
Documentation of Cost Analysis			
Negotiation of Price vs Profit			
Letter of Recommendation for Award			
Executed Contract			
Financial Interest Report			

GENERAL INFORMATION

Grantee Name
 Project Name
 Reviewer Name
 Date of Review

PROCUREMENT DETAILS

Method / Type for Review
 Construction (Yes / No)
 Procurement Status*
 Proposed Contract Amount

SINGLE BID
 If only a single bid/proposal was received, select "YES", otherwise leave blank.

PROCUREMENT PROCEDURES, STANDARDS and GUIDANCE for SUBRECIPIENTS		Compliant (Provide explanation and page #, if possible)	Not Compliant (provide explanation)	Second Review (provide additional information and comments)	Corrected?
SECTION 1 >> COMPETITION (§200.319)					
1.1	All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. [§200.319(a)]. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to: [§200.319(b)]				
	• Placing unreasonable requirements on firms for them to qualify to do business?				
	• Requiring unnecessary experience and excessive bonding?				
	• Noncompetitive pricing practices between firms or between affiliated companies?				
	• Noncompetitive contracts to consultants that are on retainer contracts?				
	• Organizational conflicts of interest?				
	• Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement?				
	• Any arbitrary action in the procurement process?				
1.2	Does the City conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference? [§200.319(c)] <i>Note(s):</i> [1] Nothing in this section preempts state licensing laws. [2] When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.				
1.3	Does the City have written procurement procedures that ensure all solicitations comply with the following: [§200.319(d)]				
	• Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured?				
	• Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals?				
1.4	If using a prequalified list of persons, firms, or products to acquire goods and services, has the Subrecipient considered the following: [§200.319(e)]				
	• Is the list current?				
	• Does the list include enough qualified sources to ensure maximum open and free competition?				
	• Were any potential bidders precluded from qualifying during the solicitation period?				
SECTION 2 >> METHOD OF PROCUREMENT (§200.320)					

	The City must use one of the following methods of procurement. (A high-level table outlining the five procurement methods is hyperlinked for quick-reference purposes.)				
2.1	<p>Micro-Purchases [§200.320(a)(1)]</p> <p><i>Note(s):</i> (1) Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold of \$10,000 (§200.67--Micro-purchase). Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.</p>				
	• To the extent practicable, did the Subrecipient equitably distribute micro-purchases among qualified suppliers?				
	• Does the aggregate dollar of supplies or services exceed the micro-purchase threshold of \$10,000, or \$2,000 for construction contracts subject to the Davis- Bacon Act (40 U.S.C. 3141)?				
2.2	<p>Small Purchase [§200.320(a)(2)]</p> <p><i>Note(s):</i> Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold (\$250,000). If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.</p>				
	• Were price or rate quotations obtained from an adequate number of qualified sources? (Minimum of 3 or more)				
2.3	<p>Sealed Bids §200.320(b)(1)</p> <p><i>Note(s):</i> The sealed bid method is the preferred method for procuring construction. In order for sealed bidding to be used, the following conditions should be present:</p> <p>(1) A complete, adequate, and realistic specification or purchase description is available;</p> <p>(2) Two or more responsible bidders are willing and able to compete effectively for the business; and</p> <p>(3) The procurement lends itself to a firm fixed price contract and the selection of a successful bidder can be made principally on the basis of price.</p>				
	• Is a complete, adequate, and realistic specification or purchase description available for bidders?				
	• Are two or more responsible bidders willing and able to compete effectively for the business in relation to the bid advertisement?				
	• Does the procurement lend itself to a firm fixed price contract?				
	• Can the selection of the successful bidder be made principally based on price?				
	• Were bids solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids?				
	• Was the invitation for bids publicly advertised?				
	• Did the invitation for bids include any specifications and pertinent attachments, and define the items or services for the bidder to properly respond?				
	• Were all bids opened publicly at the time and place prescribed in the invitation for bids?				
	• Was a firm-fixed-price contract awarded in writing to the lowest responsive and responsible bidder?				
	• If any bids were rejected, was there a sound documented reason supporting the rejection?				

2.4	<p>Competitive Proposals <i>[§200.320(b)(2)]</i></p> <p><u>Note(s):</u> <i>[1] Competitive proposal procedures may be used for qualifications-based procurement of architectural / engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in the procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.</i></p> <p><i>[2] Subrecipients shall request DEO's approval for all professional services contracts and/or agreements that will be reimbursed with CDBG-MIT funds. DEO will either approve the procurement or notify the subrecipient that it cannot be approved. Subrecipients proceed at their own risk if they incur more than \$5,000 in expenses prior to receiving DEO approval. Subrecipients shall notify DEO in writing no later than 90 calendar days from the effective date of the subrecipient agreement if they will not be procuring any professional services or if they will be using non-CDBG-MIT funds to pay for professional services.</i></p> <p><i>[3] When only one bid is received in response to a competitive bid solicitation, a Subrecipient does not have price competition. If the Subrecipient proceeds with awarding based on a single submitted bid price, the Subrecipient must: 1) justify the price is fair and reasonable; 2) compare the bid price to their in-house estimate or engineers estimate and past prices paid for the same or substantially similar item(s); 3) obtain information from the marketplace; and 4) receive approval from DEO prior to awarding.</i></p>				
	<ul style="list-style-type: none"> Were Requests for Proposals (RFPs) or Request for Qualifications (RFQs) advertised with sufficient notice for receipt of responses (unless the subrecipient provided written approval to post for a shorter period of time) and did they identify all evaluation factors and their relative importance? <p>Note: For RFPs, subrecipients must provide a copy of the advertisement.</p>				
	<ul style="list-style-type: none"> Were proposals solicited from an adequate number of qualified sources? 				
	<ul style="list-style-type: none"> Did/does the City have a written method for conducting technical evaluations of the proposals received and for selecting recipients? 				
	<ul style="list-style-type: none"> Was a contract awarded to the responsible firm whose proposal was most advantageous to the program, with price and other factors considered? 				
2.5	<p>Non-Competitive Proposals <i>[§200.320(c)]</i></p> <p><u>Note(s):</u> <i>(1) Procurement by non-competitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply. (See the circumstances listed immediately below.)</i></p> <p><i>(2) When only one bid is received in response to a competitive bid solicitation, a Subrecipient does not have price competition. If the Subrecipient proceeds with awarding based on a single submitted bid price, the Subrecipient must: 1) justify the price is fair and reasonable; 2) compare the bid price to their in-house estimate or engineers estimate and past prices paid for the same or substantially similar item(s); 3) obtain information from the marketplace; 4) obtain a complete cost breakdown; 5) perform a cost analysis of the proposed price and; 6) document the rationale for the award decision and place in the procurement file; and 7) submit State Purchasing Forms (PUR) 7776 and 7778 for approval.</i></p>				
	<ul style="list-style-type: none"> The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold. 				
	<ul style="list-style-type: none"> The item is available only from a single source. 				
	<ul style="list-style-type: none"> The public exigency or emergency for the requirement will not permit a delay resulting from the competitive solicitation. 				
	<ul style="list-style-type: none"> The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity. 				
	<ul style="list-style-type: none"> After solicitation of several sources, competition is determined inadequate. 				
<p>SECTION 3 >> CONTRACTING WITH SMALL and MINORITY BUSINESSES, VETERAN-OWNED BUSINESS WOMEN'S BUSINESS ENTERPRISES, and LABOR SURPLUS AREA FIRMS <i>(§200.321)</i></p>					

3.1	The City must take all necessary affirmative steps to assure that minority businesses, women's business enterprises and labor surplus area firms are used when possible [§200.321(a)]. Does the procurement file include the following? [§200.321(b)]				
	<ul style="list-style-type: none"> Did the City place qualified small and minority businesses and women's business enterprises on the solicitation lists? 				
	<ul style="list-style-type: none"> Did the City assure that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources? 				
	<ul style="list-style-type: none"> Did the City divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises? 				
	<ul style="list-style-type: none"> Establishing delivery schedules where the requirement permits, which encourages participation by small and minority businesses, and women's business enterprises? 				
	<ul style="list-style-type: none"> When appropriate, were the services and assistance of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce? 				
	<ul style="list-style-type: none"> Does the City require the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above? 				

SECTION 4 >> DOMESTIC PREFERENCES FOR PROCUREMENTS (§200.322)

4.1	<p>To the greatest extent practicable under a Federal award, the City must provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). [§200.322(a)].</p> <p><i>Note(s):</i> (1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. (2) "Manufactured Products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.</p>				
	<ul style="list-style-type: none"> Did the City demonstrate a reasonable effort to meet the domestic preferences provision in the procurement process? 				

SECTION 5 >> PROCUREMENT OF RECOVERED MATERIALS (§200.323)

5.1	<p>A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. [§200.323]</p>				
	<ul style="list-style-type: none"> Did the City procure items designated in §200.323? 				

	<ul style="list-style-type: none"> Did the City procure the item in a manner that maximizes energy and resource recovery as described in §200.323 and Section 6002 of the Solid Waste Disposal Act? 				
	<ul style="list-style-type: none"> Did the City purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water-efficient; and are sustainable? This may include compostable items and other products and services that reduce the use of single-use plastic products? 				
SECTION 6 >> CONTRACT COST and PRICE ANALYSIS (§200.324)					
6.1	<p>Did the Subrecipient conduct a cost or price analysis of every procurement action more than the Simplified Acquisition Threshold (\$100,000) including contract modifications? [§200.324(a)]</p> <p><i>Note: Subrecipients must perform a cost or price analysis relating to every procurement action more than the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis are dependent on the facts surrounding the procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals. Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred, or cost estimates included in negotiated prices would be allowable under Subpart E — Cost Principles. Subrecipients may reference their cost principles that comply with the Federal cost principles. "Cost plus percentage of cost" and "percentage of construction costs" methods of contracting must not be used in methods of contracting.</i></p>				
6.2	<p>Was profit negotiated as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed? [§200.324(b)]</p> <p><i>Note: Profit must be negotiated as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the:</i></p> <ol style="list-style-type: none"> 1) Complexity of the work to be performed; 2) Risk borne by the contractor; 3) Contractor's investment; 4) Amount of subcontracting and the nature of the work to be performed; 5) Quality of Contractor's past performance for similar work; and 6) Industry profit rates in the surrounding geographical area for similar work. <p><i>* Cost plus percentage of cost and percentage of construction cost methods of contracting must not be used .</i></p>				
SECTION 7 >> BONDING REQUIREMENTS (§200.326)					
7.1	<p>For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:</p>				
	<ul style="list-style-type: none"> For contracts over \$100,000, does the HCD require a <u>bid guarantee</u> from each bidder equivalent to 5% of the bid price? §200.326(a) 				
	<ul style="list-style-type: none"> For contracts over \$100,000, does HCD require a <u>performance bond</u> on the part of the contractor for 100% of the contract price? §200.326(b) 				
	<ul style="list-style-type: none"> Does the HCD require a <u>payment bond</u> on the part of the contractor for 100% of the contract price? §200.326(c) 				
SECTION 8 >> CONTRACT PROVISIONS for NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS (Appendix II to Part 200)					
8.1	<p>All contracts made/entered into by the City under the Federal award must contain the following provisions per 2 CFR 200, Appendix II as well as any additional provisions required by the Federal agency, pass-thru entity and Subrecipient. As stated previously in this document, to understand the requirements fully, please review the provisions of Appendix II to Part 200 in the Code of Federal Regulations.</p>				
	<ul style="list-style-type: none"> REMEDIES: Contracts for more than the Simplified Acquisition Threshold (\$100,000) must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms and provide for such sanctions and penalties as appropriate. (Item A) 	Requires further evaluation			
	<ul style="list-style-type: none"> CONTRACT WORK HOURS and SAFETY STANDARDS: Contracts more than \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C §3702, <i>Work Hours</i> , and §3704, <i>Health and Safety Standards in Building Trades and Construction Industry</i> . (Item E) 	Requires further evaluation			

	<p>• CLEAR AIR ACT & FEDERAL WATER POLLUTION CONTROL ACT: Contracts and subcontracts of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to comply with the Clean Air Act (42 U.S.C. §7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. §1251-1387). (Item G)</p>	Requires further evaluation			
	<p>• TERMINATION for CAUSE & CONVENIENCE: Contracts more than \$10,000 must address termination for cause and for convenience by the non-Federal entity including how it will be affected and the basis for settlement. (Item B)</p>	Requires further evaluation			
	<p>• DAVIS-BACON ACT (1): All prime construction contracts for more than \$2,000 must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141-4144 and 3146-3148); specifically that: (1) Contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages; and (2) Contractors must be required to pay wages not less than once a week.</p>	Requires further evaluation			
	<p>• DAVIS-BACON ACT (2): The City must include a copy of the current prevailing wage determination in each solicitation for all prime construction services in excess of \$2,000, and the decision to award a contractor subcontract must be conditioned upon the acceptance of the wage determination.</p> <p><i>Note: Acceptance of the wage determination is usually implicit upon awarding the contract.</i></p>	Requires further evaluation			
	<p>• DAVIS-BACON ACT (3): All prime construction contracts for more than \$2,000 must include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. §3145), which provides that each Contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.</p>	Requires further evaluation			
	<p>• GREEN BUILDING STANDARDS: Construction contracts or agreements must contain language that requires the contractor to meet the Green Building Standard for Replacement and New Construction of Residential Housing, as defined in the Allocation Notice published in the Federal Register: 90 FR 1754.</p>				
	<p>• BYRD ANTI-LOBBYING: Contractors that apply or bid for any awards must file the required certification affirming their compliance with the Byrd Anti-Lobbying Amendment (31 U.S.C. §1352). (Item I)</p>				
	<p>• EQUAL OPPORTUNITY & NON-DISCRIMINATION: Contracts that meet the definition of "federally assisted construction contract" must include the equal employment opportunity clause provided under 41 CFR §60-1.4(b). <i>(A copy of the clause is hyperlinked for reference purposes. See comment for definition of "Federally assisted construction contract.")</i> (Item C)</p>				
	<p>• RIGHTS to INVENTIONS: Contracts entered into with a small business firm or nonprofit organization and the Federal award meets the definition of "funding agreement", must comply with the requirements of 37 CFR §401, <i>Rights to Inventions made by Non-Profit Organizations and Small Business Firms under Government Grants, Contracts, and Cooperative Agreements</i>, and any implementing regulations issued by the awarding agency. <i>(See comment for definition of Funding Agreement.)</i> (Item F)</p>				
	<p>• DEBARMENT & SUSPENSION: Subrecipients must comply with CDBG regulations regarding debarred or suspended entities, specifically including 24 C.F.R. §570.609. Contracts must not be awarded to parties listed on the governmentwide exclusions in the System for Award Management (SAM). <i>(Note: Contractors not registered with SAM.gov can still be debarred.)</i> (Item H)</p>				
	<p>• SECTION 3: Contracts subject to the requirements of Section 3 of the Housing and Urban Development (HUD) Act of 1968, as amended (12 U.S.C. §1701u), must include "the Section 3 clause" pursuant to 24 CFR Part 75. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons. (CDBG Requirement)</p>				
	<p>• RIGHT of ACCESS / RECORDS of NON-FEDERAL ENTITIES: Contractors must provide the Sub-recipient, pass-thru entity, Federal awarding agency, Comptroller General of the United States, or any duly authorized representatives right of access to any books, documents, papers, or records which are directly pertinent to the project for the purpose of making audits, examinations, excerpts, and transcriptions. <u>Records must be maintained for six (6) years after the Grantee formally closes out each program.</u> (\$200.325)</p>				

PROCUREMENT REVIEW SUMMARY

Grantee Name
Project Name

Method / Type of Review
Construction (Yes/No)

Reviewer Name
Date of Review

Procurement Status
Proposed Contract Amount

Review Summary

41 CFR § 60-1.4 - EQUAL OPPORTUNITY CLAUSE

(b) Federally assisted construction contracts.

(1) Except as otherwise provided, each administering agency shall require the inclusion of the following language as a condition of any grant, contract, loan, insurance, or guarantee involving federally assisted construction which is not exempt from the requirements of the equal opportunity clause:

The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: