

# RESTORE



**FEMA PA Match Training**

# PROCUREMENT REQUIREMENTS USING CDBG-DR FUNDS



# Regulatory/Statutory Citations

- Selection Procedures - (2 CFR 200.319)
- Conflict of Interest - (2 CFR 200.318)
- Contract Administration - (24 CFR 85.36 (b)(9))
- Methods of Procurement - (24 CFR 85.36 and (LRS 38:2211-2296))
- Cost Reasonableness - (2 CFR Part 200.223)
- Bid Process - (LRS 38-2211-2296 and (2 CFR 200.320))

CDBG Administrative Manual:

[http://www.doa.la.gov/OCDDRU/Administration%20Manual/Section\\_7/Section\\_7\\_v3.85.pdf](http://www.doa.la.gov/OCDDRU/Administration%20Manual/Section_7/Section_7_v3.85.pdf)

Section 6, Exhibits 6-1 to 6-16

# Procurement Policy

Must determine if the current procurement policy includes all federal requirements contained in 2 CFR 200.318. If not, and the applicant intends to use CDBG-DR funds, then the policy must be amended.

See sample Procurement Policy in Exhibit 6-1

# TYPES OF PROCUREMENT

# SELECTION PROCEDURES

ALL solicitations must:

- Incorporate a clear/accurate description of technical requirements for material, product or service
- Reflect all requirements the offerors must fulfill
- Delineate all factors to be used in evaluating the bids or proposals

# PUBLIC BID PROCESS

- LRS 38:221-2296 and CFR 200.320 – specific requirements
- SEALED BIDS:
  - Complete, adequate and realistic specification/purchase description
  - Two or more responsible bidders able to compete
  - Lends itself to a firm fixed price contract/selection principally on the basis of price.
  - Publicly advertised, adequate number of suppliers, sufficient time to respond, define all items or services
  - Publicly open at time/place prescribed
  - lowest responsive and responsible bidder
  - Any may be rejected if there is a sound documented reason

- **Must take action within 45 days to either award or reject**
- See LRS 38:2214B for reject for “just cause”
- Cannot be awarded with an incorrect federal wage decision
- Verification of **prime** contractor eligibility:

<https://www.sam.gov/portal/public/SAM>



# REQUEST FOR PROPOSALS (RFP)

- Professional services except for A/E professional design services when the competitive negotiation method is used (RFQ)  
Includes project or construction management
- Contain: All requirements  
Terms and Conditions  
Information required to be in the proposal  
Evaluation criteria

(See Exhibit 6-6 in the Manual)

# REQUEST FOR QUALIFICATIONS (RFQ'S)

- Establish predetermined range of points. All firms within that range invited to oral interview. Submit a “best and final offer”.
- Re-evaluated
- Award to highest scoring firm
- Evaluate the proposals according to the selection criteria.
- Award to the highest scoring firm.

# REQUEST FOR QUALIFICATIONS A/E SERVICES

- Professional design services (plans & specifications)
- Using the competitive negotiation method
- Cannot be used to procure any other service.
- Selection criteria
- Subject to negotiations of fair and reasonable compensation
- Negotiate with the top ranked firm

# NON-COMPETITIVE PROPOSALS

- Sole Source
- **MUST OBTAIN PRIOR APPROVAL OCD-DRU**
- Item available only from single source
- Public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitations
- After solicitation from a number of sources, competition is determined inadequate
- **COST ANALYSIS REQUIRED**

# INDEPENDENT COST ESTIMATES

- HUD OIG
- PRE-BID
- DOCUMENT IN THE FILE

# COST ANALYSIS

- Price comparison
- Evaluation of the separate elements (e.g. labor, materials, etc.) that make up the total cost or price to determine if allowable, directly related to the requirement, and ultimately reasonable.
- Comparing lump sum prices
- When: competitive proposal
  - sole source
  - one bid/competitive sealed bids
  - Negotiating a modification/change orders

# CONTRACTS & CONTRACT MANAGEMENT

- CDBG Assurances attached
- Contract Administration
  - Scope/Deliverables
  - Performance Measures/Penalties
- Monitoring

- **ISSUES TO AVOID**  
**I.E. COMPLIANCE FINDINGS**



# FILE DOCUMENTATION

- If it is not in the file it didn't happen!!!
  - Concerns
  - Findings – Return of Funds
- Tell the story
- Beginning to End – Advertisement – Contract
- File Retention – Applicant - 5 years after grant closes  
Contractor - (3) years

# USE THE CDBG ADMINISTRATIVE MANUAL!!!!

[http://www.doa.la.gov/OCDDRU/Administration%20Manual/Section 7/Section 7 v3.85.pdf](http://www.doa.la.gov/OCDDRU/Administration%20Manual/Section%207/Section%207%20v3.85.pdf)

