



Procurement Policy

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1.0 INTRODUCTION

Established for the Harrison Metropolitan Housing Authority (hereinafter, HMHA) by action of HMHA Board of Commissioners (Board) on August 20, 2020 this Procurement Policy (Policy) complies with the Annual Contributions Contract (ACC) between HMHA and the United States Department of Housing and Urban Development (HUD), Federal Regulations at 2 CFR §200.317 through §200.326, *Procurement Standards*, the procurement standards of the Procurement Handbook for Public Housing Authorities (PHAs), HUD Handbook 7460.8, REV 2, and applicable State and Local laws.

2.0 GENERAL PROVISIONS

2.1 General. HMHA shall:

- 2.1.1** Provide for a procurement system of quality and integrity.
 - 2.1.2** Provide for the fair and equitable treatment of all persons or firms involved in purchasing by HMHA.
 - 2.1.3** Ensure that supplies and services (including construction) are procured efficiently, effectively, and at the most favorable and valuable prices available to HMHA.
 - 2.1.4** Promote competition in contracting; and
 - 2.1.5** Assure that HMHA purchasing actions are in full compliance with applicable Federal standards, HUD regulations, State, and local laws.
- 2.2 Application.** This Policy applies to all procurement actions of HMHA, regardless of the source of funds, except as noted under exclusions below. However, nothing in this Policy shall prevent HMHA from complying with the terms and conditions of any grant, contract, gift, or bequest that is otherwise consistent with the law. When both HUD and non-Federal grant funds are used for a project, the work to be accomplished with the funds should be separately identified prior to procurement so that appropriate requirements can be applied, if necessary. If it is not possible to separate the funds, HUD procurement regulations shall be applied to the total project. If funds and work can be separated and work can be completed by a new contract, then regulations applicable to the source of funding may be followed.
- 2.3 Definition.** The term “procurement” as used in this Policy, includes the procuring, purchasing, leasing, or renting of: (1) goods, supplies, equipment, and materials, (2) construction and maintenance; consultant services, (3) Architectural and Engineering (A&E) services, (4) social services, and (5) other services.
- 2.4 Exclusions.** This policy does not govern administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 program, the execution of landlord Housing Assistance Payments contracts under that program, or non-program

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income, e.g., fee-for-service revenue under 24 CFR §990. These excluded areas are subject to applicable State and local requirements.

- 2.5 ***Changes in Laws and Regulations.*** In the event an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with these Policies, automatically supersede these Policies. HMHA must use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.
- 2.6 ***Public Access to Procurement Information.*** Most procurement information shall be available to the public to the extent provided in The Government in the Sunshine Act (Pub.L. 94-409, 90 Stat. 1241, enacted September 13, 1976 U.S.C. § 552b and the Ohio's Public Records Act, Ohio Rev. Code § 149.43. Requests for procurement information should follow the policy and procedures as is defined by the HMHA Public Record Policy.

3.0 ETHICS IN PUBLIC CONTRACTING

- 3.1 ***General.*** HMHA hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. This code of conduct, etc., is consistent with applicable Federal, State, or local law.
- 3.2 ***Conflicts of Interest.*** No employee, officer, board member, or agent of HMHA shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, either real or apparent, would be involved. HMHA must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, HMHA is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. This type of conflict would be when one of the persons listed below has a financial or any other type of interest in a firm competing for the award:
 - 3.2.1 An employee, officer, board member, or agent involved in making the award.
 - 3.2.2 His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister);
 - 3.2.3 His/her partner; or
 - 3.2.4 An organization which employs or is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

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- 3.3 ***Gratitude, Kickback and use of Confidential Information.*** No officer, employee, board member, or agent of HMHA shall ask for or accept gratuities, favors, or items of more than nominal value (i.e. inexpensive hat with logo) from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain.
- 3.4 ***Prohibition Against Contingent Fees.*** Contractors wanting to do business with HMHA must not hire a person to collect or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies.
- 3.5 ***Delivery of Material Goods and Equipment.*** No HMHA officer, employee, Board member, or agent of HMHA shall purchase material goods or equipment on behalf of the Agency and have them delivered to anywhere but a HMHA owned property, regardless of efficiency and/or cost savings.

4.0 PROCUREMENT PLANNING

- 4.1 ***General.*** Planning is essential to managing the procurement function properly. Hence, HMHA will periodically review its record of prior purchases, as well as future needs, to:
 - 4.1.1 Find patterns of procurement actions that could be performed more efficiently or economically.
 - 4.1.2 Maximize competition and competitive pricing among contracts and decrease HMHA's procurement costs.
 - 4.1.3 Reduce HMHA administrative costs.
 - 4.1.4 Ensure that supplies and services are obtained without any need for re-procurement (i.e., resolving bid protests); and
 - 4.1.5 Minimize errors that occur when there is inadequate lead time.
 - 4.1.6 HMHA must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
 - 4.1.7 Consideration shall be given to storage, security, and handling requirements when planning the most appropriate purchasing actions.

- 4.2 ***Competition.*** All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. To ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and 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: (1) Placing unreasonable requirements on firms for them to qualify to do business, (2) Requiring unnecessary experience and excessive bonding, (3) Noncompetitive pricing practices between firms or between affiliated companies, (4) Noncompetitive contracts to

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consultants that are on retainer contracts, (5) Organizational conflicts of interest, (6) 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, and (7) Any arbitrary action in the procurement process.

- 4.2.1** HMHA must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. 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.
- 4.2.2** HMHA must have written procedures for procurement transactions. These procedures must ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured and identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals. Descriptions must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product, or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated.
- 4.2.3** HMHA must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, HMHA must not preclude potential bidders from qualifying during the solicitation period.

5.0 *PROCUREMENT*

- 5.1** **Petty Cash Purchases (up to \$200).** Purchases up to \$200 may be made from the petty cash fund and must be supported by receipts. A Petty Cash account is established in the amount of \$200 to cover small purchase for all departments. Purchases exceeding \$50 from petty cash must have prior authorization from the Executive Director/C.F.O. The Petty Cash account is maintained in the Executive Director's office and all procedures identified in HMHA Financial Policies & Procedures Manual relative to petty cash shall be followed. This account shall be reconciled and replenished periodically.

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5.2 Credit Card (Purchasing) Cards. Credit card usage should follow the rules for all other micro purchases and as is defined by the Purchasing Card Procedures. For all Purchasing Cards, HMHA shall ensure that security is maintained and only authorized individuals and/or their designees have access to the use of the Purchasing Cards. The Executive Director or his/her designee shall reconcile purchase cards accounts monthly to ensure timely payment to the Provider. HMHA shall adopt reasonable safeguards to assure that they are used only for intended purposes (for instance, limiting the types of purchases or the amount of purchases that are permitted with credit cards).

Credit (Purchasing) Cards should be limited to the following monthly:

- (a) Maintenance - \$500 (limit) for emergency purchase of supplies, materials, and services that do not exceed the small purchase threshold and to be used only after normal business hours.
- (b) Travel and Training - \$2,000 (limit) for approved travel and training requests.
- (c) Administrative - \$2,000 (limit) for the purchase of small items when petty cash is unavailable or impractical, and when credit card payment is the only option available, i.e. training webinars and reference materials purchase.
- (d) Information Technology - \$2,000 (limit) for the small purchase items on the web when price comparison has been completed and the web purchase is the lowest price; and, for emergency computer equipment.
- (e) Fuel Purchases - \$250 (monthly limit per individual) for job related fuel purchase in HMHA owned vehicles.
- (f) Credit (Purchasing) Card information may be kept by a vendor procured in accordance with this policy (i.e. hotels). Use shall be limited to authorized individuals and must be approved by the Executive Director or his/her designee.

5.3 Micro Purchases (less than \$10,000). Purchases involving an expenditure of \$10,000 or less does not require multiple quotes or sole source justification and may be made from a vendor via telephone, email, mail, or fax, where prices are known to be competitive without the necessity of further shopping. Vendor catalogs, as well as previous purchases, where applicable, of the same or similar item should be considered in determining price reasonableness. To the extent practicable, such micro-purchases must be distributed equitably among qualified sources and if practical, a quotation shall be solicited from other than the previous source before placing a repeat order.

5.4 Small Purchases (greater than \$10,000 less than \$250,000). For any amounts above the Micro Purchases ceiling, but not exceeding \$250,000. HMHA may use small purchase procedures. Under small purchase procedures, HMHA shall solicit from a minimum of three qualified sources. To the greatest extent feasible, and to promote competition, small

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purchases should be distributed among qualified sources. Quotations for Small Purchases (QSP), or quotes, may be obtained orally (either in person or by phone), by fax, in writing, or through e-procurement. Written documentation shall include, at a minimum, the company name, phone number or e-mail address and amount of quote. Award shall be made to the responsive and responsible vendor that submits the lowest cost to HMHA. If award is to be made for reasons other than lowest price, documentation shall be provided in the contract file. HMHA shall not break down requirements aggregating more than the small purchase threshold (or the Micro Purchase threshold) into several purchases that are less than the applicable threshold merely to: (1) permit use of the small purchase procedures or (2) avoid any requirements that applies to purchases that exceed the Micro Purchase threshold. Note: No cost/price analysis required.

- 5.5** ***Sealed Bids (greater than \$250,000).*** Sealed bidding, also known as Invitation for Bids (IFB), shall be used for all contracts that exceed the small purchase threshold and that are not competitive proposals or non-competitive proposals, as these terms are defined in this Policy. Under sealed bids, HMHA publicly solicits bids and awards a firm fixed-price contract (lump sum or unit price) to the responsive and responsible bidder whose bid, conforming with all the material terms and conditions of the IFP, is the lowest in price. Sealed bidding is the preferred method for procuring construction, supply, and non-complex service contracts that are expected to exceed \$250,000. Note: Must have a cost/price analysis performed, including contract modifications.

- 5.5.1** ***Conditions for Using Sealed Bids.*** HMHA shall use the sealed bid method if the following conditions are present: a complete, adequate, and realistic statement of work, specification, or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the work; the contract can be awarded based on a firm fixed price; and the selection of the successful bidder can be made principally on the lowest price.
- 5.5.2** ***Solicitation and Receipt of Bids.*** An IFB is issued which includes the specifications and all contractual terms and conditions applicable to the procurement, and a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the solicitation. The IFB must state the time and place for both receiving the bids and the public bid opening. All bids received will be date and time stamped and stored unopened in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.
- 5.5.3** ***Bid Opening and Award.*** Bids shall be opened publicly. All bids received shall be recorded on an abstract (tabulation) of bids, which shall then be made available for public inspection. If equal low bids are received from responsible bidders, selection shall be made by drawing lots or other similar random method. The method for doing this shall be stated in the IFB. If only one responsive bid is received from a responsible bidder, award shall not be made unless the price can be determined to be reasonable, based on a cost or price analysis.

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- 5.5.4 *Mistakes in Bids.*** Correction or withdrawal of bids may be permitted, where appropriate, before bid opening by written or telegraphic notice received in the office designated in the IFB prior to the time set for bid opening. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character was made, the nature of the mistake, and the bid price intended. A low bidder alleging a nonjudgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document, but the intended bid is unclear, or the bidder submits convincing evidence that a mistake was made. All decisions to allow correction or withdrawal of a bid shall be supported by a written determination signed by the Contracting Officer. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of HMHA or fair competition shall not be permitted.
- 5.6 *Competitive Proposals.*** Unlike sealed bidding, the competitive proposal method, also known as Request for Proposals (RFP), permits: consideration of technical factors other than price; discussion with offerors concerning offers submitted; negotiation of contract price or estimates cost and other contract term and conditions; revision of proposals before the final contractor selection; and withdrawal of an offer at any time up until the point of award. Award is normally made on the basis of the proposal that represents the best overall value to HMHA, considering price and other factors, e.g., technical expertise, past experience, quality of proposed staffing, etc., set forth in the solicitation and not solely the lowest price.
- 5.6.1 *Conditions for Use.*** Where conditions are not appropriate for the use of sealed bidding, competitive proposals may be used. Competitive proposals are the preferred method for procuring professional services that will exceed the small purchase threshold. As detailed within Section 7.2.B of HUD Procurement Handbook 7460.8 REV 2, "Only under limited circumstances would construction services be procured by competitive proposals;" accordingly, construction services will most typically be procured utilizing the sealed bid (IFB) or small purchase procedures (QSP).
- 5.6.2 *Form of Solicitation.*** Other than A&E services, developer-related services and energy performance contracting, competitive proposals shall be solicited through the issuance of an RFP. The RFP shall clearly identify the importance and relative value of each of the evaluation factors as well as any subfactors and price. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established before the solicitation is issued. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals until after award. HMHA may assign price a specific weight in the evaluation factors or HMHA may consider price in conjunction with technical factors; in either case, the method for evaluating price shall be established in the RFP.

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- 5.6.3 *Evaluation.*** The proposals shall be evaluated only on the factors stated in the RFP. Where not apparent from the evaluation factors, HMHA shall establish an Evaluation Plan for each RFP. Generally, all RFPs shall be evaluated by an appropriately appointed Evaluation Committee. The Evaluation Committee shall be required to disclose any potential conflicts of interest and to sign a Non-Disclosure statement. An Evaluation Report, summarizing the results of the evaluation, shall be prepared prior to award of a contract. Bid forms shall not be provided to the Evaluation Committee; price evaluation shall be conducted by the contracting officer.
- 5.6.4 *Negotiations.*** Negotiations shall be conducted with all offerors who submit a proposal determined to have a reasonable chance of being selected for award, unless it is determined that negotiations are not needed with any of the offerors. This determination is based on the relative score of the proposals as they are evaluated and rated in accordance with the technical and price factors specified in the RFP. These offerors shall be treated fairly their proposals. No offeror shall be given any information about any other offeror's proposal, and no offeror shall be assisted in bringing its proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations. Negotiations are exchanges (in either competitive or sole source environment) between HMHA and offerors that are undertaken with the intent of allowing the offeror to revise its proposal. These negotiations may include bargaining. Bargaining includes persuasion, alteration of assumptions and positions, give-and-take, and may apply to price, schedule, technical requirements, type of contract or other terms of a proposed contract. When negotiations are conducted in a competitive acquisition, they take place after establishment of the competitive range and are called discussions. Discussions are tailored to each offeror's proposal and shall be conducted by the contracting officer with each offeror within the competitive range. The primary object of discussions is to maximize HMHA's ability to obtain best value, based on the requirements and the evaluation factors set forth in the solicitation. The contracting officer shall indicate to, or discuss with, each offeror still being considered for award, significant weaknesses, deficiencies, and other aspects of its proposal (such as technical approach, past performance, and terms and conditions) that could, in the opinion of the contracting officer, be altered or explained to enhance materially the proposer's potential for award. The scope and extent of discussions are a matter of the contracting officer's judgment. The contracting officer may inform an offeror that its price is considered by HMHA to be too high, or too low, and reveal the results of the analysis supporting that conclusion. It is also permissible to indicate to all offerors the cost or price that HMHA's price analysis, market research, and other reviews have identified as reasonable. "Auctioning" (revealing one offeror's price to get another offeror to lower their price) is prohibited.

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- 5.6.5 Award.** After evaluation of the revised proposals, if any, and Board Approval of contracts more than \$75,000, the contract shall be awarded to the responsible firm whose technical approach to the project, qualifications, price and/or any other factors considered, are most advantageous to HMHA. The determining dollar threshold for the contract award shall be based on the total amount of the contract period inclusive of any option years. The contract price must be within the maximum total project budgeted amount established for the specific property or activity.
- 5.6.6 A&E Services.** HMHA shall contract for A&E services using Qualifications-Based Selection (QBS) procedures, utilizing a Request for Qualifications (RFQ). Sealed bidding shall not be used for A&E solicitations. Under QBS procedures, competitors' qualifications are evaluated, and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. QBS procedures shall not be used to purchase other types of services, other than Energy Performance Contracting and Developer services, through architectural/engineering firms are potential sources.

6.0 NONCOMPETITIVE PROPOSALS

- 6.1 Conditions for Use.** Procurement by noncompetitive proposals (sole- or single-source) may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, cooperative purchasing, or competitive proposals, and if one of the following applies:
- 6.1.1 The item is available only from a single source, based on a good faith review of available sources.
- 6.1.2 An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to HMHA, as may arise by reason of a flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any of the other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary simply to meet the emergency;
- 6.1.3 HUD authorizes the use of noncompetitive proposals; or
- 6.1.4 After solicitation of several sources, competition is determined inadequate.
- 6.1.5 **Justification.** Each procurement based on noncompetitive proposals shall be supported by a written justification for the selection of this method. The justification shall be approved in writing by the responsible Contracting Officer. Poor planning or lack of planning is not justification for emergency or sole-source procurements. The justification, to be included in the procurement file, should include the following information:

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- (1) Description of the requirement.
- (2) History of prior purchases and their nature (competitive vs. noncompetitive).
- (3) The specific exception in 2 CFR § 200.320(f)(1)-(4) which applies.
- (4) Statement as to the unique circumstances that require award by noncompetitive proposals.
- (5) Description of the efforts made to find competitive sources (advertisement in trade journals or local publications, phone calls to local suppliers, issuance of a written solicitation, etc.).
- (6) Statement as to efforts that will be taken in the future to promote competition for the requirement.
- (7) Signature by the Contracting Officer's supervisor (or someone above the level of the Contracting Officer); and
- (8) Price Reasonableness. The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing an analysis, as described in this Policy.

6.2 Cooperative Purchasing/Intergovernmental Agreements. HMHA may enter into State and/or local cooperative or intergovernmental agreements to purchase or use common supplies, equipment, or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the interagency agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. HMHA may use Federal or State excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs. The goods and services obtained under a cooperative purchasing agreement must have been procured in accordance with 2 CFR §200.317 through §200.326.

7.0 INDEPENDENT COST ESTIMATE (ICE)

7.1 General. For all purchases above the Small Purchase threshold, HMHA shall prepare an ICE prior to solicitation. The level of detail shall be commensurate with the cost and complexity of the item to be purchased.

8.0 COST AND PRICE ANALYSIS (CPA)

8.1 General. HMHA shall require assurance that, before entering a contract, the price is reasonable, in accordance with the following instructions.

8.1.1 Petty Cash and Micro Purchases. No formal cost or price analysis is required. Rather, the execution of a contract by the Contracting Officer (through a Purchase Order or other means) shall serve as the Contracting Officer's determination that

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the price obtained is reasonable, which may be based on the Contracting Officer's prior experience or other factors.

- 8.1.2 *Small Purchases.*** A comparison with other offers shall generally be sufficient determination of the reasonableness of price and no further analysis is required. If a reasonable number of quotes are not obtained to establish reasonableness through price competition, the Contracting Officer shall document price reasonableness through other means, such as prior purchases of this nature, catalog prices, the Contracting Officer's personal knowledge at the time of purchase, or any other reasonable basis.
- 8.1.3 *Sealed Bids.*** The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, and when the bid received is substantially more than the ICE, and where HMHA cannot reasonably determine price reasonableness, HMHA must conduct a cost analysis, consistent with federal guidelines, to ensure that the price paid is reasonable.
- 8.1.4 *Competitive Proposals.*** The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient proposals are not received, HMHA must compare the price with the ICE. For competitive proposals where prices cannot be easily compared among offerors, where there is not adequate competition, or where the price is substantially greater than the ICE, HMHA must conduct a cost analysis, consistent with Federal guidelines, to ensure that the price paid is reasonable.
- 8.1.5 *Contract Modifications.*** A cost analysis, consistent with federal guidelines, shall be conducted for all contract modifications for projects that were procured through Competitive Proposals, or Non-Competitive Proposals, or for projects originally procured through Small Purchase procedures and the amount of the contract modification will result in a total contract price in excess of \$250,000.

9.0 SOLICITATION AND ADVERTISING

9.1 Method of Solicitation

- 9.1.1 *Petty Cash and Micro Purchases.*** HMHA may contact only one source if the price is considered reasonable. Micro purchases of less than \$10,000, must be distributed equitably among qualified suppliers.
- 9.1.2 *Small Purchases.*** Quotes may be solicited orally, through fax, E- Procurement, or by any other reasonable method. Small purchases, greater than \$10,000 and less than \$250,000, require price and rate quotes from an adequate number of qualified sources (preferably three).
- 9.1.3 *Sealed Bids and Competitive Proposals.*** Solicitation must be done publicly. HMHA must use one or more of the following solicitation methods, provided that the method employed provides for meaningful competition.

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- (a) Advertising in newspapers or other print mediums of local or general circulations.
 - (b) Advertising on websites including but not limited to National Association of Housing and Redevelopment Official (NAHRO), the Public Housing Association Directors Association (PHADA), Ohio Housing Authorities Conference (OHAC) or other websites with established outreach.
- 9.2** ***Time Frame.*** For any sealed bids or competitive proposals, the public notice should run not less than once each week for two consecutive weeks (Sunday - Saturday is a week).
- 9.3** ***Form.*** Notices/advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, the website where a copy of, and information about, the solicitation, and a brief description of the needed item(s) can be viewed.
- 9.4** ***Time Period for Submission of Bids.*** A minimum of 30 days shall generally be provided for preparation and submission of sealed bids and 15 days for competitive proposals. However, the Executive Director may allow for a shorter period under extraordinary circumstances.
- 9.5** ***Cancellation of Solicitations***
- 9.5.1** An IFB, RFP, or other solicitation may be cancelled before bids/offers are due if:
- (a) The supplies, services or construction is no longer required.
 - (b) The funds are no longer available.
 - (c) Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best; or
 - (d) Other similar reasons.
- 9.5.2** A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if:
- (a) The supplies or services (including construction) are no longer required.
 - (b) Ambiguous or otherwise inadequate specifications were part of the solicitation.
 - (c) All factors of significance to HMHA were not considered.
 - (d) There is reason to believe that bids or proposals may not have been independently determined in open competition, may have been collusive, or may have been submitted in bad faith; or
 - (e) For good cause of a similar nature when it is in the best interest of HMHA.
- 9.5.3** The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request. appropriate, shall explain that they will be given an opportunity to compete on any re-solicitation or future procurement of similar items.

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- 9.5.4** A notice of cancellation shall be sent to all bidders/offers solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any re-solicitation or future procurement of similar items.
- 9.5.5** If all otherwise acceptable bids received in response to an IFB are at unreasonable prices an analysis should be conducted to see if there is a problem in either the specifications or HMHA's cost estimate. If both are deemed in adequate and if only one bid is received and the price is unreasonable, the Contracting Officer may cancel the solicitation and either:
- (a) Re-solicit using an RFP; or
 - (b) Complete the procurement by using the competitive proposal method.
 - (c) The Contracting Officer must determine, in writing, that such action is appropriate, must inform all bidders of HMHA's intent to negotiate, and must give each bidder a reasonable opportunity to negotiate.
- 9.5.6** If problems are found with the specifications, HMHA should cancel the solicitation, revise the specifications, and re-solicit using an IFB.

10.0 BONDING REQUIREMENTS

10.1 *General.* The standards under this section apply to construction contracts that exceed \$250,000. There are no bonding requirements for small purchases or for competitive proposals. HMHA may require bonds in these latter circumstances when deemed appropriate; however, non-construction contracts should generally not require bid bonds.

10.1.1 Bid Guarantee. For construction contracts exceeding \$250,000, offerors shall be required to submit a bid guarantee from each bidder equivalent to 10% of the bid price.

10.1.2 Payment Bonds. For construction contracts exceeding \$250,000, the successful bidder shall furnish an assurance of completion. This assurance may be any one of the following four:

- (a) A performance and payment bond in a penal sum of 100% of the contact price; or
- (b) Separate performance and payment bonds, each for 50% or more of the contract price; or
- (c) A 20% cash escrow; or
- (d) An irrevocable letter of credit.

These bonds must be obtained from guarantee or surety companies acceptable to the U. S. Government and authorized to do business in the State of Ohio. Individual sureties shall not be considered. U. S. Treasury Circular Number 570 lists companies approved to act as sureties on bonds securing Government contracts, the maximum underwriting limits on each contract bonded, and the States in which the company is licensed to do business. Use of companies on this circular is mandatory.

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11.0 CONTRACTOR QUALIFICATIONS AND DUTIES

- 11.1** ***Contractor Responsibility.*** HMHA shall not award any contract until the prospective contractor, i.e., low responsive bidder, or successful offeror, has been determined to be responsible. A responsible bidder/offeror must:
- 11.1.1** Have adequate financial resources to perform the contract, or the ability to obtain them.
 - 11.1.2** Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all the bidder's/offeror's existing commercial and governmental business commitments.
 - 11.1.3** Have a satisfactory performance record.
 - 11.1.4** Have a satisfactory record of integrity and business ethics.
 - 11.1.5** Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them.
 - 11.1.6** Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and, applicable laws and regulations, including not be suspended, debarred or under a BUD-imposed LDP.
 - 11.1.7** If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.
- 11.2** ***Suspension and Debarment.*** Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined to be ineligible by HUD in accordance with HUD regulations (2 CFR §200.317 through §200.326) or by other Federal agencies, e.g., Department of Labor for violation of labor regulations, when necessary to protect housing authorities in their business dealings. Prior to issuance of a contract, HMHA staff shall, as detailed within Section 10.2.H.1 and 10.2.H.2 of HUD Procurement Handbook 7460.8 REV 2, conduct the required searches within the HUD Limited Denial of Participation (LDP) system and the U.S. General Services Administration (GSA) Excluded Parties Listing Service system and place within the applicable contract file a printed copy of the results of each such search. The State of Ohio debarment list should also be searched.
- 11.3** ***Vendor Lists.*** All interested businesses shall be given the opportunity to be included on vendor mailing lists. Any lists of persons, firms, or products which are used in the purchase of supplies and services (including construction) shall be kept current and include enough sources to ensure competition.

12.0 CONTRACT PRICING ARRANGEMENTS

- 12.1** ***Contract Types.*** Any type of contract which is appropriate to the procurement and which will promote the best interests of HMHA may be used, provided the cost-plus-a-percentage-of-cost and percentage-of-construction-cost methods are not used. All

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solicitations and contracts shall include the clauses and provisions necessary to define the rights and responsibilities of both the contractor and HMHA. For all cost reimbursement contracts, HMHA must include a written determination as to why no other contract type is suitable. Further, the contract must include a ceiling price that the contractor exceeds at its own risk.

12.2 Options. Options for additional quantities or performance periods may be included in contracts, provided that:

- (a) The option is contained in the solicitation.
- (b) The option is unilateral right of HMHA.
- (c) The contract states a limit on the additional quantities and the overall term of the contract.
- (d) The options are evaluated as part of the initial competition.
- (e) The contract states the period within which the options may be exercised.
- (f) The options may be exercised only at the price specified in or reasonably determinable from the contract; and
- (g) The options may be exercised only if determined to be more advantageous to HMHA than conducting a new procurement.

13.0 CONTRACT CLAUSES

13.1 Contract Pricing. All contracts shall identify the contract pricing arrangement as well as other pertinent terms and conditions, as determined by HMHA.

13.2 Required Forms. Additionally, the forms HUD-5369; 5369-A; 5369-B; 5369; 5370;5370-C (Sections I and IT); 51915; and 51915-A, which contain all HUD-required clauses and certifications for contracts of more than \$250,000, as well as any forms/clauses as required by HUD for small purchases, shall be used, as applicable, in all corresponding solicitations and contracts issued by HMHA.

13.3 Required Contract Clauses: HMHA shall ensure that each contract executed by HMHA contains the required contract clauses detailed within 2 CFR §200.326.

14.0 CONTRACT ADMINISTRATION

14.1 General Administration. HMHA shall maintain a system of contract administration designed to ensure that Contractors perform in accordance with their contracts. These systems shall provide for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts, and similar matters. For cost-reimbursement contracts, costs are allowable only to the extent that they are consistent with the cost principles in HUD Handbook 2210.18.

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15.0 SPECIFICATIONS

- 15.1** ***General.*** All specifications shall be drafted to promote overall economy for the purpose intended and to encourage competition in satisfying HMHA's needs. Specifications shall be reviewed prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Function or performance specifications are preferred. Detailed product specifications that unnecessarily limit competition shall be avoided whenever possible. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.
- 15.2** ***Limitation.*** The following types of specifications shall be avoided:
- 15.2.1 Geographic restrictions not mandated or encouraged by applicable Federal law (except for A&E contracts, which may include geographic location as a selection factor if adequate competition is available).
- 15.2.2 Brand name specifications (unless the specifications list the minimum essential characteristics and standards to which the item must conform to satisfy its intended use).
- 15.2.3 Nothing in this procurement policy shall preempt any State licensing laws. Specifications shall be reviewed to ensure that organizational conflicts of interest do not occur.

16.0 APPEAL AND REMEDIES

- 16.1** ***General.*** It is HMHA policy to resolve all contractual issues informally and without litigation. Disputes will not be referred to HUD unless all administrative remedies have been exhausted. When appropriate, a mediator may be used to help resolve differences.
- 16.2** ***Informal Appeals Procedure.*** HMHA shall adopt an informal bid protest/appeal procedure for contracts of \$250,000 or less. Under these procedures, the bidder/contractor may request to meet with the appropriate Contract Officer.
- 16.3** ***Formal Appeals Procedure.*** A formal appeals procedure shall be established for solicitations/contracts of more than \$250,000.
- 16.3.1 ***Bid Protest.*** Any actual or prospective contractor may protest the solicitation or award of a contract for serious violations of the principles of this Policy. Any protest against a solicitation must be received before the due date for the receipt of bids or proposals, and any protest against the award of a contract must be received within ten (10) calendar days after the contract receives notice of the contract award, or the protest will not be considered. All bid protests shall be in writing, submitted to the Contracting Officer or designee, who shall issue a

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written decision on the matter. The Contracting Officer may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant.

- 16.3.2 Contractor Claims.** All claims by a contractor relating to performance of a contract shall be submitted in writing to the Contracting Officer for a written decision. The contractor may request a conference on the claim. The Contracting Officer's decision shall inform the contractor of its appeal rights to the next higher level of authority in HMHA. Contractor claims shall be governed by the Changes clause in the relevant form HUD-5370.

17.0 DIVERSITY & ECONOMIC INCLUSION IN CONTRACTING

- 17.1 Required Efforts.** Consistent with Presidential Executive Orders 11625, 12138, and 12432, and Section 3 of the HUD Act of 1968, all feasible efforts shall be made to ensure that small and minority-owned businesses, women's business enterprises, labor surplus area firms, and other individuals or firms located in or owned in substantial part by persons residing in the area of HMHA project are used when possible. Such efforts shall include, but shall not be limited to:
- 17.1.1** Including such firms, when qualified, on solicitation mailing lists.
 - 17.1.2** Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources.
 - 17.1.3** Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms.
 - 17.1.4** Establishing delivery schedules, where the requirement permits, which encourage participation by such firms.
 - 17.1.5** Using the services and assistance of the Small Business Administration, and the Minority Business Development Section of the Department of Commerce.
 - 17.1.6** Including in contracts, to the greatest extent feasible, a clause requiring contractors, to provide opportunities for training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which provide opportunities to low-income residents, as described in 24 CFR§135 (so called Section 3 businesses); and
 - 17.1.7** Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed above.
- 17.2 Goals.** Shall be established periodically for participation by small businesses, minority-owned businesses, women-owned business enterprises, and Section 3 business concerns in HMHA prime contracts and subcontracting opportunities.

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17.3 Definitions.

- 17.3.1** A small business is defined as a business that is: independently owned; not dominant in its field of operation; and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR §121 should be used to determine business size.
- 17.3.2** A minority-owned business is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans, and Hasidic Jewish Americans.
- 17.3.3** A women's business enterprise is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.
- 17.3.4** "Section 3" as defined under 24 CFR §135 is a provision of the HUD Act of 1968, as amended to ensure that when employment or contracting opportunities are generated due to a covered project or activity which necessitates the employment of additional persons or the awarding of contracts for work, to the greatest extent feasible, preference must be given to low and very low-income persons or section 3 business concerns residing in the community where the project is located and is used for the following projects:
- (a) Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair, and replacement).
 - (b) Housing construction; and
 - (c) Other public construction.
- 17.3.5** A "Section 3 business concern" as defined under 24 CFR §135 means a business, concern, as defined in this section:
- (a) That is 51 percent or more owned by section 3 residents; or
 - (b) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern where section 3 residents; or
 - (c) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualification set forth in paragraphs (a) or (b) in this definitions of "section 3 business concerns."
- 17.3.6** "Section 3 clause" means the contract provisions set forth in 24 CFR §135.38.

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17.3.7 “*Section 3 covered contract*” as defined under 24 CFR §135 means a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. “*Section 3 covered contracts*” also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract.

18.0 BOARD APPROVAL OF PROCUREMENT ACTIONS

18.1 Other than approval of this Procurement Policy, approval by the Board of Commissioners is not required for any procurement action under \$75,000, as permitted under State and local law. Rather, it is the responsibility of the Executive Director to make sure that all procurement actions are conducted in accordance with the policies contained herein.

18.1.1 Authority. The Board appoints and delegates procurement authority to the Executive Director (ED) in the amount not to exceed \$75,000 shown above) and is responsible for ensuring that any procurement policies and procedures adopted are appropriate for HMHA. All procurements that exceed these thresholds must have approval from the Board prior to award and/or contract execution.

19.0 DELEGATION OF CONTRACTING AUTHORITY

19.1 Delegation. While the ED is responsible for ensuring that HMHA's procurements comply with this Policy, the ED may delegate in writing certain procurement authority.

19.2 Procedures. Further, and in accordance with this delegation of authority, the ED shall, where necessary, establish operational procedures (such as a procurement manual or standard operating procedures) to implement this Policy. The ED shall also establish a system of sanctions for violations of the ethical standards described in Section 3.0 herein, consistent with Federal, State, or local law.

20.0 DOCUMENTATION

20.1 Required Records. HMHA must maintain records sufficient to detail the significant history of each procurement action. These records shall include, but shall not necessarily be limited to, the following:

- 20.1.1** Rationale for the method of procurement (if not self-evident).
- 20.1.2** Rationale of contract pricing arrangement (also if not self-evident).
- 20.1.3** Reason for accepting or rejecting the bids or offers.
- 20.1.4** Basis for the contract price.
- 20.1.5** A copy of the contract documents awarded or issued and signed by the Contracting Officer.

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- 20.1.6** Basis for contract modifications; and
 - 20.1.7** Related contract administration actions.
- 20.2** The level of documentation should be commensurate with the value of the procurement.
- 20.3** Records are to be retained for a period of three years after final year of payment and all matters pertaining to the contract are closed.

21.0 DISPOSITION OF SURPLUS PROPERTY

- 21.1** ***General.*** Property no longer necessary for HMHA's purposes (non-real property) shall be transferred, sold, or disposed of in accordance with applicable Federal, state, and local laws and regulations.

22.0 FUNDING AVAILABILITY

- 22.1** ***General.*** Before initiating any contract, HMHA shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.

23.0 SPONSORSHIP PROGRAM POLICY

- 23.1** ***Philosophy.*** The Harrison Metropolitan Housing Authority seeks to develop innovative approaches to the way we do business. Sponsorship is an innovative way to offset the cost of some HMHA events. When appropriate, HMHA will be receptive to sponsorship opportunities. The establishment of a sponsorship relationship does not constitute an endorsement by HMHA of the sponsor or the sponsor's services or products.

- 23.2** ***Policy.*** This document establishes HMHA's general policy for sponsorships of HMHA events and programs. The Policy sets the standards, guidelines and approval criteria for solicitation, consideration, and approval of sponsorships. This policy was designed to protect the Mission, Vision, Gold Standard Philosophy, and Integrity of HMHA. No sponsorship shall be approved that will compromise or damage the public trust or conflict with or compromise HMHA's reputation, Mission, Vision, Gold Standard, Value, or integrity. This policy does not apply to HMHA's endorsement or support for external organizations and their programs, services, or activities.

This policy is also designed to:

- Ensure open and fair public process for soliciting and considering sponsorship activities.
- Provide HMHA with full and final decision-making authority on any sponsorship activity.
- To clearly state that a sponsorship does not create a public forum for communication and debate.
- To help potential sponsors, HMHA, and HMHA staff to better understand the procedures for sponsorships.

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- 23.3 *Definition of Sponsorship.*** A sponsorship is a financial or in-kind support from an outside person or entity to associate their name, logo, products, or services with a HMHA event. A sponsorship is a business relationship in which HMHA and the sponsor exchange products, services, and/or financial remuneration for a right to associate sponsor's name, services, or products with HMHA event.
- 23.4 *Solicitation of Sponsor.*** HMHA may contact a prospective sponsor directly or HMHA may contract with an independent contractor for services related to solicitation of sponsors. HMHA retains sole and final decision-making authority for determining the appropriateness of a sponsorship and HMHA may refuse any offer of sponsorship.
- 23.5 *Sponsorship Selection Criteria.*** When considering whether to accept a proposed sponsorship, HMHA shall consider the following non- exclusive criteria:
- Consistency of the prospective sponsor's services, products, customers, and promotional goals with HMHA's character, values, Mission, and Vision.
 - The prospective sponsor's historical participation and association with the event and continued willingness to participate in the same in the future.
 - The timeliness and readiness of the prospective sponsor to enter into a sponsorship agreement.
 - Whether and the extent to which the sponsorship will establish or will be perceived as establishing an inappropriate association.
 - Whether the sponsorship is or will be perceived to be politically oriented.
 - The type and level of support by the prospective sponsor.
 - Whether the sponsorship is or will be perceived to be offensive to segments of HMHA's community.
 - The aesthetic characteristics of communications to the public regarding the sponsorship
 - Whether the sponsor manufactures products, takes positions or otherwise engages in activity that is inconsistent with local, state, or federal law or with HMHA policies or HMHA's Mission, Vision and Gold Standard.
 - Other factors that may undermine public confidence in HMHA's impartiality or interfere with the efficient delivery of HMHA operations and services, including, without limitation, current or potential conflicts of interests between the sponsor and HMHA, HMHA staff, officials or affiliated entities and the potential for the sponsorship to tarnish HMHA's standing amongst the community or otherwise impair HMHA's ability to administer it's programs.
 - Community support for or opposition to the proposed sponsorship
 - The actual value of the proposal in relation to the benefit to the prospective sponsor.

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23.6 *Sponsorship Restrictions.* The following are categorically excluded as potential sponsors:

- Entities that promote the sale or consumption of alcoholic beverages.
- Entities that promote the sale or use of tobacco products.
- Entities that promote the sale or use of illegal drugs.
- Entities that promote gambling.
- Sexually oriented businesses.
- Religious or political organizations.
- Individuals or entities that have pending business agreements or are participating in an active solicitation or otherwise creates the appearance of impropriety.
- Any sponsorship that is contrary to the interest of public health, safety, or welfare.

23.7 *Non-Endorsement.* Acceptance of a sponsorship does not imply HMHA's endorsement of the person, product, service, or business. Announcements, flyers, and other promotional materials shall not state or imply HMHA's endorsement unless express written consent of HMHA is obtained.

23.8 *Sponsor's Right to Publicize.* Their Association with HMHA. A sponsor shall not use HMHA's name or logo in any materials or communications without prior written approval of HMHA, including without limitation print, video, internet, broadcast, or display items that promote or otherwise communicate the sponsorship.

23.9 *Non-Discrimination.* HMHA shall not discriminate based on race, creed, color, national origin, religion, gender, marital status, age, sexual orientation, political affiliation, or disability. Any person or entity sponsoring a HMHA program or event must follow the same non-discrimination policy.

23.10 *Sponsorship Agreement.* All sponsorships require a fully executed sponsorship agreement prior to the exchange of goods, services, or cash. Such agreement must contain but shall not be limited to the following provisions:

- Term/duration
- Termination for Convenience
- Anti-Discrimination
- Anti-Kickback
- Conflict of interest
- Examination of Records
- Indemnification and insurance
- Non-exclusivity provision
- Required Authority Approval of Signage

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***APPENDIX 1: Procurement Quote/Award Form – Small Purchases
(Over \$10,000 not exceeding \$250,000)***

Item or Service to be Procured & Awarded: _____

Contractor	Contractor Name	Address	Phone Number	Website	Price Quote	Contractor Selected
1						
2						
3						

- Price
 Quality of Work

Signature

Date

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APPENDIX 2: Sample Advertisement

The **Harrison Metropolitan Housing Authority (HMHA)** invites sealed bids from contractors for the _____ at _____, located in Cadiz, OH, USA.

The work consists of _____

Bids are subject to State Law.

Bids will be received until **2:00 P.M.** on **MM/DD/YY** and publicly opened, forthwith at Harrison Metropolitan Housing Authority, 82450 Cadiz-Jewett Road, Cadiz, OH 43907. A bid package will be available for pick-up from the Executive Director at 82450 Cadiz-Jewett Road, Cadiz, OH 43907 after **2:00 P.M., MM/DD/YY**. Cost of plans and specifications is \$__. Company checks required.

**THE JOB SITE AND/OR EXISTING BUILDING WILL BE AVAILABLE FOR A WALK THROUGH ON
MM/DD/YY AT 10:00 A.M. AT _____ CADIZ, OH.
PROSPECTIVE BIDDERS SHOULD MEET AT THE ABOVE-MENTIONED ADDRESS.**

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APPENDIX 3: Sample IFB Cover Sheet

IFB Number: _____

Date of Issuance: _____

Sealed bids will be accepted at the Harrison Metropolitan Housing Authority (HMHA), 82450 Cadiz-Jewett Road, PO Box 146, Cadiz, Ohio 43907, until the date and time noted below. Bids will be publicly opened and recorded immediately thereafter at the Administrative Office, 82450 Cadiz-Jewett road, Cadiz, Ohio 43907.

Pre-Bid Meeting will be held: _____ (date) _____ (time)

Bid Opening: _____ (date) _____ (time)

Harrison Metropolitan Housing Authority
82450 Cadiz-Jewett Road, PO Box 146
Cadiz, Ohio 43907

Point of Contact:

Table of Contents:

- A. Bid/Price Form
- B. Specifications/Scope of Work
- C. Instructions to Bidders
- D. Required Certifications
- E. General Contract
- F. Other Attachments

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APPENDIX 4: Sample Solicitation Amendment

**Harrison Metropolitan Housing Authority
82450 Cadiz-Jewett Road
PO Box 146
Cadiz, Ohio 43907**

1. Amendment number: _____
2. Issued by: _____
3. Amendment of solicitation number _____ dated: _____
4. The hour and date specified for receipt of bids/proposals is _____ not _____
extended to the following new hour and date: _____
5. The above numbered solicitation is amended as set forth below. Bidders/offers must acknowledge
receipt of this amendment prior to the hour and date specified for receipt of bids/proposals, by
signing this form below or by completing the acknowledgement on the form titled "Solicitation,
Bid/Proposal and Award."
6. Description of Amendment

(Cite specific sections and/or pages of the solicitation that are being amended.)

Except as provided herein, all terms and conditions of the solicitation remain unchanged and in full
force and effect.

7. Name and title of signer: _____

Signature and date: _____

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APPENDIX 5: Sample Contract Award

**Harrison Metropolitan Housing Authority
82450 Cadiz-Jewett Road
PO Box 146
Cadiz, Ohio 43907**

1. Contract Number: _____
2. Effective Date: _____
3. Solicitation Number/Project Title: _____
4. Name & Address of Contractor: _____
5. Contract Amount \$ _____
6. Accounting Code: _____
7. Table of Contents

Section Description	Pages
---------------------	-------

- A. CONTRACT ADMINISTRATION
- B. SUPPLY/SERVICE & PRICES DATA
- C. STATEMENT OF WORK/SPECS REQUIREMENTS
- D. PACKAGING & MARKING
- E. INSPECTION & ACCEPTANCE
- F. CONTRACT AWARD FORM PERFORMANCE
- G. DELIVERIES OR
- H. CONTRACT ADMINISTRATION
- I. SPECIAL CONTRACT
- J. CONTRACT CLAUSES
- K. LIST OF ATTACHMENTS

8. **Award:** Your bid/offer on Solicitation Number _____ including additions or changes made by you, which additions or changes are set forth in full within the sections listed above, is hereby accepted as to the items listed in Section B and on any continuation sheets. This award consummates the contract which consists of the following documents (a) the HMHA's solicitation, (b) your bid/offer, and (c) this award document/contract. No further contract document is necessary.

9. Name of Contracting Officer: _____

Signature of Contracting Officer: _____ Date: _____

10. Name/Title Authorized Signer/Contract Representative: _____

Contracting Representative Signature: _____ Date: _____

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APPENDIX 6: Sample Notice to Unsuccessful Bidders

(Letterhead)

RE: IFB#_____

1. Receipt of your bid is acknowledged in response to our invitation for bid referenced above.
2. The contract was awarded after competition by sealed bidding to the lowest responsive and responsible bidder. The total amount of the awarded contract was \$_____. The award was made to:

(Insert Bidder Name)

3. Enclosed is the bid bond your company submitted for the above referenced solicitation.
4. The Harrison Metropolitan Housing Authority appreciates your time and effort in preparing and submitting your bid. We hope that your firm will participate in future solicitations.

(Insert)

Name of Contracting Officer

Date

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APPENDIX 7: Sample Procedures for Evaluation Committees

(For Amounts Above the Federal Small Purchase Threshold)

Introduction

This Document established the procedures for the evaluation review process and shall apply to the evaluation of all competitive proposals. The evaluation process must be impartial, consistent, and fair.

Evaluation Panel

- A. A committee will be appointed by the Contracting Officer to evaluate technical proposals in accordance with a written evaluation plan. The Contracting Officer may serve as a panel member.
- B. A minimum of three persons must be selected.
- C. A designated chairperson shall be responsible for the deliberations of the committee and other duties as outlined below. The Contracting Officer may serve as a Chairperson.
- D. Panel members who have a conflict of interest or relationship, financial or otherwise, or that may be construed as a conflict of interest, must disclose the existence of the conflict and, if necessary, excuse themselves from the panel.

Establishment of a Written Plan

Prior to the issuance of the RFP, a written plan for evaluating technical and cost proposal should be established. However, where practical, the evaluation criteria set forth in the RFP can serve as the written plan for the evaluation. The evaluation criteria set forth in the RFP shall be the basis for all evaluations. Factors not specified in the RFP shall not be considered.

Conduct of Evaluation

Prior to a formal meeting to discuss the proposals and evaluations, the Contracting Officer shall provide each evaluator with a copy of each qualified proposal, a rating sheet and a non-disclosure certificate, which must be executed by the panel member and returned to the Chairperson. The rating sheet will list each evaluation criterion and the weights assigned to it, as reflected in the RFP. The rating sheets should require the evaluator to assign both an adjectival rating for each evaluation criterion and a narrative justification to support the ratings given.

The evaluation committee will then meet to discuss the proposals. Initially the proposals should be compared on an individual basis, separately, against the requirements stated in the RFP, not analyzed in comparison with each other. During the evaluation, the committee members should only evaluate the content of the proposals; personal knowledge that is not based on the proposer's written submission, except for relevant past performance information should not be part of the initial technical evaluation. The evaluation committee members will perform the following functions: 1) review all of the proposals using as the standard the evaluation criteria as set forth in the RFP; 2) meeting to discuss the evaluations, the ratings of each evaluator and the reasons for such ratings; and 3) complete the ratings sheet including both an adjectival and narrative justifications for each proposal submitted.

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The chairperson is responsible for collecting the individual rating sheets from each committee member, preparing a summary rating sheet which reflects an overall adjectival rating for each rating criterion, and preparing a formal written report to the Contracting Officer regarding the evaluation committee meeting and discussions (such as the minutes from the evaluation committee meeting). This written report shall rank the proposers and shall describe how the scores were determined. The chairperson shall then forward the individuals rating sheets, the summary rating sheet, and the written narrative report to the Contracting Officer.

Negotiations

If necessary, negotiations will be conducted with all proposers in the competitive range. The extent of involvement of committee members in these negotiations will be determined by the Contracting Officer. These negotiations will be conducted in accordance with applicable HMHA policies/procedures.

Disclosure of Information

The evaluators shall not disclose any information included in any of the proposals (such as the names and number of proposers or rating scores) to anyone during the solicitation and evaluation period. Proposers submit proposals in confidence and expect their proposals and proprietary information contained therein to be protected from disclosure to other proposers or individuals. At the appropriate time, the Contracting Officer and/or his designee shall discuss information regarding the solicitation and award.

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APPENDIX 8: Certification of Nondisclosure

(For Use in Competitive Proposals Method of Procurement)

As a condition of serving as an evaluator of offers under *[insert solicitation number or other identification, e.g., task order number]*, I hereby certify that I will:

1. Use the information provided to me for the intended evaluation purposes only and will not disclose this information to any individual outside of the evaluation panel, including my supervisor or manager, without the express authorization of the evaluation panel chairperson or the Contracting Officer;
2. Not solicit or accept any information other than that provided to me by the evaluation panel chairperson or the Contracting Officer.
3. Report to the evaluation panel chairperson or the Contracting Officer any attempt by other parties to obtain from or provide to me any information described in this certification.
4. Honor any authorized restrictive legends placed on the information by prospective contractors or subcontractors or by the HMHA and apply them to any reproductions or abstracts I may make or order to be made; and,
5. Return all copies of the information whether originally provided to me by the HMHA or made or ordered by me during my evaluation, and any abstract thereof, to the evaluation panel chairperson.

I understand that my unauthorized release of information may result in the termination of my participation in this procurement and/or administrative, civil, and criminal penalties. I also understand that this certification will be made part of the source selection record and the official contract file and does not relieve me of the source selection record and the official contract file and does not relieve me of the responsibility for any other disclosure or certification required by law, regulation or other directive.

Typed or Printed Name

Signature

Date

Information includes but is not limited to the acquisition strategy, acquisition timeline, source selection criteria, evaluation plan, identity, and number of offers, contents of offers, evaluation results and other documentation resulting from the evaluation process.

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APPENDIX 9: Sample Checklist for Determination of Contractor Responsibility

HMHA Solicitation Number: _____

Contractor Name and Address: _____

Circle applicable statement:

1. A review of the GSA and HUD websites data dated _____ has been conducted and the contractor doe/does not appear as suspended, debarred or operating under a LDP.
2. The contractor has/not performed satisfactorily on other contract(s) awarded by the SMHA.
3. A survey of other agencies and companies doing business with the contractor was performed. Adverse/no adverse information was been received that would bring the contractor's present responsibility and technical capability into question. List the agencies/companies contacted, dated contracted and person providing information.
4. A review of the Contractor's financial and technical resources indicates/does not indicate that can perform the contract. List documentation reviewed.
5. State/local government agencies were contacted, and the contractor does/does not have a record of any outstanding code violations, improper business practices, or similar history of non- compliance with public policy. List agencies contacted.
6. Other pertinent information received does/does not affect the Contractor's responsibility. List parties contacted and results of contact (e.g., Better Business Bureau, Business Licenses, Dunn and Bradstreet, other credit agencies).
7. In accordance with 24 CFR 85.36 (b)(8), the contractor is responsible/non- responsible and possesses/ does not possess the ability to successfully perform under the terms and conditions of this contract.

Name Contracting Officer: _____

Signature: _____ Date: _____

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APPENDIX 10: Sample Legal Services Engagement Letter

The United States Department of HUD urges inclusion of the following provisions into all legal services contracts executed and/or administered by SMHA, unless no federally provided funds will be used to administer the contract.

Addendum to Engagement Agreement

1. Harrison Metropolitan Housing Authority (HMHA) and *[name of legal service individual or firm]* Legal Service Personnel (LSP) engaged to provide professional legal services to HMHA in connection with [briefly and precisely describe the nature, scope and limits of the legal services to be provided by the LSP] agree that the provisions of the Addendum to the Engagement Agreement are hereby incorporated into HMHA and LSP's engagement agreement as if they had been set forth at length therein.
2. During the pendency of the legal services engagement, LSP shall not, without HUD approval, represent any officer or employee of HMHA, in her/his individual capacity, in connection with potential civil liability or criminal conduct issues related to HMHA operations.
3. LSP has an obligation not to, and shall not, interfere with, disrupt, or inappropriately delay or hinder any authorized monitoring, review, audit, or investigative activity of HUD (including the Office of Inspector General), the General Accounting Office (GAO), or the officers and employees of HUD and GAO. All representation by LSP cannot be inconsistent with the foregoing obligation. Specifically, LSP shall not deny access to HUD, GAO, or the officers and employees of HUD and GAO, to HMHA records in response to document demands by HUD, GAO, or officers and employees of HUD and GAO, notwithstanding possible discovery privileges that would otherwise be available to HMHA. HUD requires HMHA to provide HUD, GAO, or the officers and agents of HUD and GAO, with "full and free" access to all their books, documents, papers, and records. *See CFR 85.42 (e)(1).*
4. HMHA and LSP shall make available for inspection and copying, by HUD (including the Office of Inspector General), GAO, and the officers and employees of HUD and GAO, all invoices, detailed billing statement, and evidence of payment thereof relating to LSP's engagement. Such records constitute "HMHA records" and are subject to section 3, above.
5. If HUD or HMHA determines that LSP is violating any provision of this Addendum to the Engagement Agreement, it shall timely notify LSP of such violation. LSP will have 48 hours following its receipt of the notice of violation to cease and desist from further violation of the addendum. If LSP fails to adequately cure the noticed violation within 48 hours: (A) HUD, in its discretion, may demand that HMHA terminate the professional legal services engagement for breach, or, henceforth, satisfy all costs associated with the engagement with non-Federal funds; and/or (B) HMHA, in its discretion, may terminate the professional legal services engagement for breach. Additionally, HUD may sanction LSP pursuant to **24 CFR Part 24**.
6. Should any part, term, or provision of this Addendum to the Engagement Agreement be declared or determined by any court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms, and provisions shall not be affected.

(insert E.D. Name): _____

Signature _____ Date _____

(insert name of LSP key partner): _____

Signature _____ Date _____

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APPENDIX 11: Guidelines for Conducting Cost Analysis

A cost or price analysis must be performed in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the procurement situation. An independent estimate must be made before receiving bids or proposals.

1. When evaluating competitive proposals.
2. When there is a sole source (or non-competitive proposal)'
3. When after soliciting bids, only one bid is received, the HMHA does not have sufficient data on costs to establish price reasonableness (such as prior purchases of similar nature), and the HMHA is considering making an award to the sole bidder;
4. When negotiating modifications to contracts that impact the price or estimated cost.
5. When terminating a contract and the contractor is entitled to payment of reasonable costs incurred as a result of termination; or'
6. When awarding a cost-reimbursement contract.

The following lists the basic steps in conducting a cost analysis:

- A. Verify cost and price information, including.
 1. The necessity for, and reasonableness of, the proposed cost.
 2. Technical evaluation or appraisal of the proposed direct cost elements.
 3. Application of audited or pre-negotiated indirect cost rates, direct labor rates, etc.
- B. Evaluate the effect of the offeror/contractor's current practices on future costs.
- C. Compare costs proposed by the offeror/contractor with the following:
 1. Actual costs previously incurred by the same firm.
 2. Previous cost estimates from the same firm or other firms for the same or similar items.
 3. The methodology to be used to perform the work (are the costs consistent with the technical approach being proposed?)
 4. The independent cost estimate (ICE)
- D. Verify that the offeror/contractor's cost proposal complies with the appropriate cost principles.
- E. Verify that costs are allowable, allocable, and reasonable.

The major categories of costs are:

- A. Direct Costs, which include:
 1. Direct Labor (personnel)
 2. Equipment
 3. Supplies
 4. Travel and Per Diem
 5. Subcontractors
 6. Other Direct Costs

Cost Proposal	Cost Principle
For-profit or commercial organization	FAR Part 31
State or local governments	OMB Circular A-87
Private, non-profit organizations	OMB Circular A-122
Educational Institutions	OMB Circular A-21

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- B. Indirect Costs, which include:
1. Overhead
 2. General and Administrative Expenses
 3. Profit (or Fee)

In the process of analyzing costs, profit should be analyzed separately. In analyzing profit, consideration should be given to:

- A. Complexity of the work to be performed.
- B. Contractor's risk in performing the contract.
- C. Contractor's investment in the contracted effort.
- D. Amount of subcontracting.
- E. Contractor's record of past performance; and
- F. Industry profit rates in the general area for similar work.

Remember: The objective is to establish overall cost reasonableness and not individual components.

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APPENDIX 12: Sample Notice to Proceed

(Letterhead)

Insert Date

Insert Contractor Name and address

RE: Insert contract number project name/description

NOTICE TO PROCEED

Pursuant to the terms of the above contract, you are hereby notified to commence work at the start of business on (date). The time for completion, including the starting day, as established by the contract, is (date).

It is the responsibility of the contractor to meet the schedule as set forth and in accordance with the terms and conditions of the contract. Failure to comply with the schedule will result in the enforcement of the liquidated damages stated in the contract.

Please note carefully and fulfill the requirements of the contract regarding the submittal and approval of Worker's Compensation and Manufacturers' and Contractor's Public Liability Insurance.

The contractor shall also contact the HMHA in writing within three days prior to mobilization on the project to enable the HMHA to coordinate this work with others.

The contractor shall within ten days after receipt of this notice send to the HMHA copies of all required permits for work to be performed under this contract. Failure to comply with these instructions shall constitute a breach of contract.

Your cooperation on this construction to its conclusion is of the utmost importance to the HMHA.

Sincerely,

Contracting Officer

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APPENDIX 13: Sample Contract Modification

Modification Number: _____

Effective Date: _____

Contract Number: _____ Dated: _____

This modification modifies the contract as described below:

This Change Order is Issued Pursuant to (Cite Contract Clause)

This contract is modified to reflect the following administrative changes (E.G., Changes in Payment Office) _____

This Supplemental Agreement is Entered into Pursuant To:

(Cite Contract Clause or Mutual Agreement of the Parties)

Other (Specify Type of Modification and Authority):

The contractor _____ [is] or _____ [is not] required to sign this document and return _____ copies to the Contracting Officer.

Description of modification: (include section, clause, page number, and subject matter) _____

Except as provided herein, all terms and conditions of the contract remain unchanged and in full force and effect.

Name and Title of signer: _____
Signature _____ Date _____

Name and title of Contracting Officer: _____
Signature _____ Date _____

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APPENDIX 14: Piggy Backing

Within Section 14.2.B.5 of HUD Procurement Handbook 7460.8 REV 2 it states that Harrison Metropolitan Housing Authority (hereinafter, "the HMHA") may purchase "supplies and services through a local, county or State government's supply, service or equipment contractor." This practice is also encouraged and allowed by 24 CFR 85.36(b)(5). Accordingly, to justify executing a contract, HMHA shall record the following information and conduct each noted procedure to ensure that:

- (a) The new purchase "agreement provides for greater economy and efficiency and results in cost savings to the SMHA [Section 14.A.1]."
- (b) The new purchase "agreement is used for common supplies and services that are of a routine nature only" ("common," meaning the items or services being procured by the HMHA are the same as those listed on the original contract issued by the local, county or State government HMHA and are the items or services the HMHA requires) [Section 14.A.2];
- (c) The HMHA ensures "that any supplies or services obtained using another HMHA's contract are purchased in compliance with 24 CFR 85.36" [Section 14.A.3], or, in other words, not in violation of the noted CFR.

Justification:

- (1) Identify the name of the applicable firm:
- (2) Identify the supplies or services to be placed under contract:
- (3) Identify the "Local, County or State Government Agency (GA)" that conducted the original competitive solicitation:
- (4) The original competitive solicitation was an: QSP _____ IFB _____ RFP _____ RFQ/QBS _____
- (5) The original Solicitation No.: _____
- (6) Contract No.: _____
- (7) Original Contract Period: ***From 00/00/0000 to 00/00/0000***.
- (8) No. of Option Periods: ***0***
- (9) Maximum Potential Eligible Contract Date: ***00/00/0000***
- (10) The SMHA has garnered, reviewed, and placed in the file the following original solicitation documents (place an "X" where applicable):

Tab* "X"	Description
	Print-out from a State GSA Web Site indicating that there was a State-compliant competitive solicitation conducted (PLEASE NOTE: Whereas Section 14.2.B.5 of HUD Procurement Handbook 7460.8 REV 2 states that the SMHA may purchase "supplies and services through a local, county or State government's supply, service or equipment contractor," we have determined that our SMHA will not require the following substantial documentation but will assume that the above noted governmental SMHA conducted the noted competitive solicitation in a State-compliant manner.)
	Or the following documentation is attached hereto:
	Original competitive solicitation documents (including addendums) issued by the GA
	Tabulation showing the Force of Competition
	Copy of the successful firm(s) submittal
	Cost or Price Analysis (or similar analysis) conducted by the above noted GA
	Ensuing contract executed by the above noted GA with the successful firm(s)

*Tab: The tab that the noted information is attached hereunder.

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(11) The HMHA has completed the following noted Due Diligence (place an “X” where applicable):

Tab*	“X”	Description	Regulatory Reference
		Independent Cost Estimate (ICE)	[3.2]; {(f)(1)}
		Cost/Price Analysis (CPA)	[10.3] [Appendix 12] {(f)}
		References	
		Licensing	
		Insurance	
		HUD LDP/GSA SAM	[10.2.H]
		Section 3 (if applicable)	[15.2] {24CFR135}
		Rationale for Award (RFA)	[6.12.B.2] [10.2.E]. {(b)(9)}
		Executed an appropriate contract form	[10.1; 10.5]

*The tab that the noted information is attached hereunder.

*** []” = reference from HUD Procurement Handbook 7460.8 REV 2.

*** { }” = reference within 24 CFR 85.36 (or other referenced CFR).

The undersigned, having familiarized himself/herself with the applicable regulations, has gathered and reviewed the above noted documents and hereby affirms that the noted original solicitation and ensuing contract are each appropriate for the HMHA to “join” or “piggy-back” onto.

Printed Name	Title
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Signature	Date
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