

Exhibit 10-6
Housing Opportunities for Persons With AIDS
(HOPWA) Program

6509.2 REV-5

Guide for Review of HOPWA Procurement			
Name of Program Participant:			
Staff Consulted:			
Program Year Under Review:			
Name(s) of Reviewer(s)		Date	

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

Instructions: This Exhibit is designed to assess the program participant's compliance with applicable procurement requirements. It is divided into seven sections: Selected Sample; Small Purchases; Competitive Sealed Bids; Competitive Proposals; Noncompetitive Proposals; General Provisions/Procedures; and Bonding and Insurance. If the program participant's accounting system includes information on contracts, purchase orders, etc., related to the HOPWA program, such a system can be a convenient starting point for selecting procurement transactions to review, following the sampling guidance in Section 10-5 of the introduction to this Chapter. The HOPWA regulatory citation for the uniform administrative requirements is 24 CFR 574.605.

Note that the program participant may designate government housing agencies or nonprofit organizations to serve as project sponsors. When so designated, these entities are *not required* to follow competitive procurement procedures but may do so optionally at the discretion of the HOPWA program participant (see definition of "project sponsor" at 24 CFR 574.3).

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A. SELECTED SAMPLE

1.

Ask the program participant to provide the following information for the selected sample of procurement transactions:

Contractor	Amount Budgeted	Amount Obligated	Amount Expended	Procurement Method*
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

* Use the following numbers for these methods of procurement [see 24 CFR 85.36(d)]:
(1) Small Purchase; (2) Sealed Bids; (3) Competitive Proposals; and (4) Noncompetitive Proposals.

B. SMALL PURCHASES

2.

a. Can the program participant document receipt of an adequate number of price or rate quotations from qualified sources for procurements of \$25,000 or less? [24 CFR 574.605 and 24 CFR 85.36(d)(1)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: 	

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b. Describe types of purchases and price or rate quotes received.
Describe Basis for Conclusion:

C. COMPETITIVE SEALED BIDS

3.

Summarize the program participant’s formal, competitive sealed bid process. [24 CFR 574.605 and 24 CFR 85.36(d)(1)]
Describe Basis for Conclusion:

4.

a. Does the program participant receive at least two or more responsible bids for each procurement transaction? [24 CFR 574.605]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

b. If the answer to “a” above is “no,” do the detected problems appear to be systemic or isolated ?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

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5.

Does the procurement process lend itself to firm, fixed price contracts and can selection of successful bidders be made principally on the basis of price? ? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

6.

Was the invitation for bids publicly advertised and were bids solicited from an adequate number of known suppliers, providing them sufficient time before the date set for opening the bids? [24 CFR 574.605 and 24 CFR 85.36(d)(2)(ii)(A)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

7.

Do the IFBs, including specifications and pertinent attachments, clearly define the items or services needed in order for bidders to properly respond? [24 CFR 574.605 and 24 CFR 85.36(d)(2)(ii)(B)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
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8.

Are bids opened publicly at the time and place stated in the IFBs? [24 CFR 574.605 and 24 CFR 85.36(d)(2)(ii)(C)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

9.

Are contracts awarded to the lowest responsive and responsible bidders? [24 CFR 574.605 and 24 CFR 85.36(d)(2)(ii)(D)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

D. COMPETITIVE PROPOSALS

10.

Is the competitive proposal procurement method used only when conditions are not appropriate for the use of formal advertising? [24 CFR 574.605 and 24 CFR 85.36(d)(3)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
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11.

Do Requests For Proposals (RFPs) clearly and accurately state the technical requirements for the goods or services to be procured? [24 CFR 574.605 and 24 CFR 85.36(c)(3)(i)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

12.

Are proposals solicited from an adequate number of qualified sources, consistent with the nature and requirements of the procurement? [24 CFR 574.605 and 24 CFR 85.36(d)(3)(ii)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

13.

Does the program participant publicize Request for Proposals (RFPs) and honor reasonable requests by parties to compete to the maximum extent practicable? [24 CFR 574.605 and 24 CFR 85.36(d)(3)(i)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
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14.

Do the RFPs identify all significant evaluation factors, including price or cost where required, and their relative importance? [24 CFR 574.605 and 24 CFR 85.36(d)(3)(i)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

15.

Does the program participant:	
a. conduct technical evaluations of submitted proposals? [24 CFR 574.605 and 24 CFR 85.36(d)(3)(iii)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
b. determine responsible offerors from such evaluations? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
c. as necessary, conduct negotiations, written or oral, for final contract award? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
d. make awards to the most responsive and responsible offerors whose proposals will be most advantageous to the participant after price and other factors are considered? [24 CFR 574.605 and 24 CFR 85.36(b)(8)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

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16.

If architectural/engineering professional services are needed by the program participant, are such proposals evaluated with respect to factors other than price and can the program participant document the basis for negotiations of fair and reasonable compensation? [24 CFR 574.605 and 24 CFR 85.36(f)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

17.

For procurement of architectural and engineering professional services, does the program participant maintain a list of qualified offerors who can respond to its RFPs? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
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E. NONCOMPETITIVE PROPOSALS [24 CFR 85.36(d)(4)]

18.

<p>If the program participant procured services noncompetitively, can it show that other methods of procurement (small purchases, sealed bids or competitive proposals) were infeasible because:</p> <ul style="list-style-type: none"> • the items were available from a single source; OR • a public exigency or emergency was of such urgency to not permit use of competitive solicitation, after solicitation of a number of sources; OR • competition is determined inadequate; OR • approval was granted by HUD? <p>[24 CFR 574.605 and 24 CFR 85]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<p>Describe Basis for Conclusion:</p> <div style="border: 1px solid black; height: 150px; width: 100%;"></div>	

F. GENERAL PROVISIONS/PROCEDURES

19.

<p>Is the program participant ensuring that its awards are not made to any party that was excluded, disqualified, or otherwise ineligible (e.g., suspension, debarment or limited denial of participation) for Federal procurement and nonprocurement programs?</p> <p>[24 CFR 574.605, 24 CFR 24, Subparts C and J, Executive Order 13224, implemented at 31 CFR Parts 595 through 597]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Describe Basis for Conclusion:</p> <div style="border: 1px solid black; height: 150px; width: 100%;"></div>	

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20.

For the sample of files reviewed, is there a rationale documenting:		
a. the selection of the method of procurement? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
b. the selection of contract type? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
c. contractor selection or rejection? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
d. the basis for the cost or price of the contract? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

21.

Is contract pricing always based on a method other than the "cost-plus-a-percentage-of-cost" method? [24 CFR 574.605 and 24 CFR 85.36(f)(4)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

22.

Are procurement procedures in place to ensure that:		
a. purchase orders and contracts are signed by an authorized program official? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

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b. items delivered and paid for are consistent with the items contained in the corresponding purchase order and/or contract? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
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Describe Basis for Conclusion:

c. timely payment of vendors occurs, once requested, when orders have been delivered, inspected, accepted, and payment to the vendor has been approved? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
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Describe Basis for Conclusion:

d. a cost or price analysis is performed in connection with every procurement action, including contract modifications? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
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Describe Basis for Conclusion:

e. profit is negotiated as a separate element of price where price competition is lacking or a cost analysis is performed? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
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23.

Are the contract provisions listed in 24 CFR 85.36(i) appropriately included in the HOPWA-assisted contracts? [24 CFR 574.605 and 24 CFR 85.36(i)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

24.

Does the program participant have a written code of conduct governing employees, officers or agents engaged in the award and administration of contracts supported by grant funds? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

25.

Can the program participant document a system of contract administration for determining the adequacy of contractors' performance? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

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26.

Can the program participant show that its project sponsors or subrecipients are required to follow applicable procurement policies and procedures in the administration of their contracts and purchase orders? [24 CFR 574.500 and 605 and 24 CFR 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

27.

If the program participant uses prequalified lists, are such lists: <ul style="list-style-type: none">• current,• developed through an open solicitation process without overly restrictive criteria, and• include an adequate number of qualified sources? [24 CFR 574.605 and 24 CFR 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
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G. BONDING AND INSURANCE [24 CFR 85.36(h)]

28.

If contracts have been awarded for construction or facility improvements under the grant program(s), does the program participant:			
a. follow its own requirements relating to bid guarantees, performance bonds and payment bonds for construction contracts or subcontracts valued at or below \$100,000? [24 CFR 574.605 and 24 CFR 85.36(h)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
b. meet the minimum Federal requirements for bid guarantees, performance bonds and payment bonds for construction contracts or subcontracts valued above \$100,000? [24 CFR 574.605 and 24 CFR 85.36(h)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion: 			