

# PROCUREMENT & CONTRACTING

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## CHAPTER 3: PROCUREMENT & CONTRACTING

### REQUIREMENTS

The Division of Energy, Housing and Community Resources (DEHCR) requires all Units of General Local Governments (UGLGs) to adopt written procurement procedures **prior** to the *Grant Agreement* being executed for the Community Development Block Grant (CDBG) monies. An UGLG must use procurement procedures that are in conformance with federal, state and local laws and regulations. Federal regulations and standards are identified in 24 CFR 85 which sets forth the standards that are applicable to procurement for federal grants, cooperative agreements, and sub-awards to state, local, and Indian tribal governments. State procurement information is published on the State of Wisconsin VendorNet System:

<http://vendornet.state.wi.us/vendornet/asp/gvi.asp>.

The UGLG must have written selection procedures for adequate procurement and contracting to ensure that:

- a. The purchase of unnecessary or duplicate items is avoided. Where appropriate, an analysis should be made of lease vs. purchase alternatives [24 CFR 85.36(b)(4)];
- b. Whenever possible, use of federal excess and surplus property, or of intergovernmental agreements for procurement or use of common goods and services should be considered as a way to foster greater economy and efficiency [24 CFR 85.36(b)(5) and (6)];
- c. All purchase orders (and contracts) are signed by the UGLG's authorized official(s);
- d. Items delivered and paid for are consistent with the purchase order and/or contract for the goods or services;
- e. Timely payment to vendors occurs when the order is delivered, inspected, accepted, and payment is authorized;
- f. **A cost or price analysis is performed for every procurement action**, including contract modifications, and documentation to that effect is maintained in the UGLG's files. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, **the UGLG must make independent estimates before receiving bids or proposals [24 CFR 85.36(f)]**; and
- g. Profit or fee is negotiated separately from price where competition is lacking or a cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of past performance, and industry rates for the area [24 CFR 85.36(f)(2)].

See Attachments 3-A1 and 3-A2 for sample procurement policies.

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## GENERAL PROVISIONS

The standards and procedures for procurement and contracting are intended to ensure that supplies, equipment, construction, and other services are:

- Obtained as efficiently and economically as possible; and
- Procured in a manner that provides, to the maximum extent practical, open and free competition.

Solicitations must explain all the requirements that the bidder/offeror has to meet for his or her bid/offer to be evaluated by the UGLG. Solicitations for goods and services must be based on a clear and accurate description of the material, product, or service to be procured and cannot contain features which unduly restrict competition.

Some of the situations considered to be restrictive of competition include, but are not limited to:

- Placing unreasonable qualifying requirements on firms;
- Requiring unnecessary experience or excessive bonding;
- Specifying only brand name products, instead of allowing an equal product;
- Non-competitive pricing practices between firms or affiliated companies; and
- Non-competitive awards to consultants on retainer contracts.

Awards are to be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to the UGLG, price and other factors considered. Any and all bids may be rejected when it is in the UGLG's interest to do so. The UGLG must ensure that the award is made only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration should be given to such matters as contractor integrity, compliance with public policy, record of past performance, financial capabilities, and technical capabilities.

## DEBARRED & INELIGIBLE CONTRACTORS

The UGLG must ensure that awards are not made to any party which is debarred or suspended, or is otherwise excluded from or ineligible for, participation in federal assistance programs under Executive Order 12549 "Debarment and Suspension" [24 CFR 85.35]. UGLG must check the status of all contractors and sub-contractors on the System for Award Management (SAM) at <http://sam.gov>.

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## RECORDS AND FILES

According to 24 CFR 85.36(b)(9), the UGLG shall maintain records to detail the significant history of a procurement and contracting. The UGLG shall maintain files on the rationale for selecting the method(s) of procurement used, the selection of contract type, the contractor selection/rejection process and the basis for the cost or price of a contract.

## USE OF LOCAL, SMALL, MINORITY-OWNED and/or WOMEN-OWNED BUSINESSES

Federal regulations make it very clear that UGLGs should make every effort to use local business firms and contract with small, minority-owned, and women-owned businesses in the procurement process. Specifically, the UGLG must take affirmative steps to use small firms, minority-owned firms, women-owned firms, or labor surplus area firms [24 CFR 85.36(e)]. For example, the UGLG should:

- Incorporate such businesses in solicitation lists whenever they are potential sources;
- Ensure that such businesses are solicited when identified as potential sources;
- Divide procurement requirements, when economically feasible, to permit maximum participation of such businesses; and
- Require prime contractors, when subcontracts are let, to take affirmative steps to select such firms.

Refer to *Chapter 6: Equal Opportunity, Fair Housing and Section 3* for additional details on MBE/WBE contracting related requirements.

## USE OF SECTION 3 BUSINESSES

In conformance with requirements of *Section 3* of the *Housing and Community Development Act of 1968*, to the greatest extent feasible, the UGLG must award contracts for work to be performed to eligible businesses located in or owned by residents of the distribution area to ensure that employment and other economic opportunities generated by federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very-low income persons, particularly those who are recipients of government assistance for housing [24 CFR 570.607(b)].

Refer to *Chapter 6: Equal Opportunity, Fair Housing and Section 3* for additional details on Section 3 contracting related requirements.

## IMPORTANT REMINDER!

The desire to award contracts to local firms is **NOT** a legitimate excuse for avoiding an open and competitive procurement process.

## PROCUREMENT OPTIONS

**Initial decision:** Will the UGLG select a third party to perform all or part of the grant-funded activity, using some method of procurement?

- If no, and all of the work will be done in-house, then the UGLG will not have to meet any federal procurement requirements.
- If yes, the most restrictive of federal, state, and local procurement requirements will apply.

Depending on the scarcity of the item or service desired and the size of the purchase, different methods of procurement are available under the federal regulations.

The UGLG should take several factors into consideration when procuring a contractor, **if the work is contracted out:**

- No loss-leader arrangements
- Professional Service(s) needs (for administration, engineering, etc.)
- Small purchase(s) option
- Competitive sealed bids option
- Competitive proposals option
- Non-competitive proposals/sole source option

## WARNING!

**No loss-leader arrangements:** Federal regulation requires maximum open and free competition. Loss-leader arrangements, where a consultant offers to prepare a grant application or preliminary engineering estimates at reduced rates or at no cost in return for a future contract if the application is funded, are prohibited by federal regulations.

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Loss-leader arrangements violate federal regulations which require maximum open and free competition. Professional organizations also consider this practice unethical because it deprives the UGLG of the benefits that can result from competition among competent, professional firms.

**Use of One Firm for Grant Administration and Professional Services such as Engineers, Planners, or Architects:** The use of a single firm for grant administration and engineering and/or planning professional services is generally acceptable provided that separate procurement processes are conducted for each of the separate services.

However, a firm serving as the Grant Administrator for a UGLG is not allowed to bid on a contract for services if the firm assists the UGLG with preparation of the procurement advertisement or assists in any aspect of the procurement process. Assistance with the procurement process includes, but is not limited to the preparation of advertisements or the evaluation and scoring of bids.

**Selection of Engineers, Planners, or Administrative Consultants Prior to Grant Award --** Generally, the use of multi-services procurement and contracting is prohibited except:

- When local officials decide to procure the services of an engineer to assist them with both preparation of preliminary engineering plans (which is not grant application preparation) **and** project engineering, in the event their community is selected for grant award;
- When an UGLG wants to conduct one procurement process to cover both grant preparation **and** grant administration; and
- When an UGLG wants to conduct one procurement process to cover both planning grant application preparation **and** planning grant implementation.

Any agreement between the UGLG and the engineer or consultant that includes preliminary and project engineering or grant writing and administration services would have to be contingent upon the award of CDBG funds. Local officials have to follow the procedures for competitive proposals.

**Note regarding procurement methods:** Among the procurement approaches described below, the competitive sealed bid resulting in a firm, fixed price contract is the preferred procurement approach when there are numerous available and qualified providers, when the requirements and specifications are thoroughly detailed and are unlikely to change, and where the UGLG has the opportunity to make the provider assume a large share of the risk for non-performance.

## OPTION #1 – SMALL PURCHASE OPTION [24 CFR 85.36 (d)(1)]

DEHCR considers procurement by small purchase (also referred to as simplified acquisition) procedures best suited for obtaining small quantities of supplies.

UGLGs may follow either their local small purchase procurement, state, or the federal policy. If the local policy is used, it must be at least as stringent as the federal or state policy, whichever is more restrictive, as described below.

The federal small purchase method may be used for procurement of \$100,000 or less in the aggregate, per 24 CFR 85.36(d)(1). **A procurement of more than \$100,000 may not be inappropriately broken up into smaller components solely to qualify for the small purchase approach.**

The state small purchase method may be used for procurement of \$50,000 or less in the aggregate. **A procurement of more than \$50,000 may not be inappropriately broken up into smaller components solely to qualify for the small purchase approach.**

### WARNING!

The State of Wisconsin's procurement limit for small purchase is \$50,000. The UGLG should follow this stricter state regulation, in lieu of the \$100,000 federal policy.

In the small purchase method, competition must be sought through oral or written price quotations. The UGLG **must document** the receipt of at least three price or rate quotations from qualified vendors. The UGLG's small purchase procurement process documentation should:

- Identify in writing the item(s) to be procured;
- Solicit in writing, written quotes from at least three qualified bidders. Verbal quotes, documented by the UGLG in writing, are acceptable for purchases of less than \$500;
- Identify the lowest responsible bidder;
- Notify each bidder in writing as to whether or not they are the apparent low bidder; and
- Execute a contract to the lowest responsible bidder.

### **OPTION #2 – COMPETITIVE SEALED BID OPTION [24 CFR 85.36 (d)(2)]**

DEHCR considers this method of procurement best suited to obtaining contractors for construction projects and for large quantities of goods or materials.

This method of selection can be made principally on the basis of price (fixed price contract using lump sum or unit price). Requirements for using the Competitive Sealed Bid method are as follows:

- The UGLG shall advertise the invitation for bids in publications of general circulation (i.e. newspapers, online bidding opportunities), solicit bids from an adequate number of known suppliers, providing them sufficient time to respond prior to bid opening;
- The invitation for bids shall include:
  - complete and accurate specifications
  - pertinent attachments, and
  - clearly define items or services needed, in sufficient detail for the bidders to properly respond;
- Bids shall be opened publicly at the time and place stated in the invitation for bids;
- The UGLG shall receive at least two or more responsible bids for each procurement transaction; and
- If awarded, a firm fixed-price contract award shall be made in writing to the lowest responsive and responsible bidder. The UGLG can, however, decide not to make the award to any of the bidders. The UGLG may re-bid the project under certain conditions (i.e. bids are not responsible or the proposals don't contain information necessary to evaluate the bids).

Refer to *Chapter 7: Labor Standards* for additional guidance on procurement and contracting for construction contracts.

## **OPTION #3 – COMPETITIVE PROPOSALS OPTION [24 CFR 85.36(d)(3)]**

DEHCR considers this procurement method best suited to obtaining professional services.

This is normally conducted with more than one source submitting an offer, which results in either a fixed-price or not-to-exceed type contract being awarded. It is generally used when conditions are not appropriate for the use of sealed bids. This method has two sub-parts:

1. The **Request for Proposal** (RFP), and
2. The **Request for Qualifications** (RFQ).

The review process for both statements of qualification and proposals should be thorough, uniform, and well documented. DEHCR prefers that this review be conducted by a committee or board which, to the extent possible, includes persons with technical skills relevant to the requests being sought.

Reviewers should have no potential conflicts of interest with the firms or individuals under review, such as family relationships, close friendships, or business partnerships. Refer to 24 CFR 85.36, (b) procurement standards, which in part states: *UGLGs and sub-Grantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer, or agent of the UGLG or sub-Grantee shall participate in the selection, or awarding, or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved.*

**Evaluation criteria** for reviewing competitive proposals should take into consideration:

- Specialized experience or technical expertise of the firm and its personnel in connection with the type of services to be provided and the complexity of the project;
- Past record of performance on contracts with the municipality and other clients, including quality of work, timeliness, and cost control;
- Capacity of firm to perform the work within time limitations, taking into consideration the current and planned workload of the firm; and
- Familiarity of the firm with the type of problems applicable to the project.

### **RECOMMENDED BEST PRACTICE**

The above-listed evaluation criteria can be scored using a weighted point system based on their importance. A side-by-side comparison of the numerical scores will determine which proposal receives the award.

## Request for Proposal (RFP)

The following requirements must be met:

- The *Request for Proposals* (RFP) must clearly and accurately state technical requirements for goods and services required. It should specify scope of services and the type of contract to be provided – cost reimbursement (also known as cost plus fixed fee), fixed price or per diem contract;
- The RFP also should specify the cost and pricing data required to support the proposed cost, anticipated start and completion dates, and evaluation criteria to be used in ranking proposals. The UGLG should make available pertinent materials, such as reports, maps and site plans to assist the bidders in preparing proposals. For complicated projects, the UGLG may wish to conduct a pre-bid conference to discuss the project, describe available materials and explain relevant CDBG contract regulations;
- The UGLG shall publicize the RFP, and to the maximum extent practicable, honor reasonable requests by parties to have an opportunity to compete;
- Proposals shall be solicited from an adequate number of qualified sources, consistent with the nature and requirements of the procurement;
- The UGLG shall conduct a technical evaluation of the submitted proposals to identify the responsible offers; and
- The UGLG shall award the contract to the most responsive and responsible contractor after price and other factors are considered through scoring the proposals according to predetermined evaluation criteria. The successful proposal/offer must clearly be the most advantageous source of the goods and services.

## Request For Qualifications (RFQ)

For procurement involving architectural or engineering services, the UGLG may use the *Request for Qualifications* (RFQ) competitive proposal procedure whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. **In these instances, price is NOT used as a selection factor.** The UGLG should review and rank every statement of qualifications received.

Once the most-qualified firm is identified, only that firm is asked for a price proposal, which is subject to negotiation of a fair and reasonable price. If negotiations with the selected firm are unsuccessful, this process is repeated with the next highest-ranked firm, until a fair and reasonably priced contract can be awarded.

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The UGLG shall document the basis for its determination of the most qualified competitor and the reasonableness of the contract price. This qualifications-based approach to the competitive proposals method may not be used to purchase anything other than architectural and engineering services [24 CFR 85.36(d)(3)(v)].

Note: The federal rule cited in the previous paragraph, relating to the procurement of architectural and engineering (A/E) services, is quoted below verbatim:

*UGLGs and sub-Grantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. This method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.*

This above language means that the Qualifications-based Procurement Method can be used only for A/E services. If an RFQ is issued, the competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation.

### **WARNING!**

*A Request For Qualifications (RFQ) cannot be used to purchase other types of services, even though A/E firms are potential sources to perform other types of services.*

In addition, federal procurement regulations generally discourage the use of local geographical preferences in the evaluation of bids or proposals except where mandated by federal statutes, due to the resulting geographical restrictions unnecessarily placed upon open competition. However, in procuring architectural and engineering services, geographic location is permitted as a selection criteria provided this criterion results in an appropriate number of qualified firms still being allowed to submit their qualifications for review [24 CFR 85.36(c)(2)].

## **OPTION #4 – NON-COMPETITIVE PROPOSALS/SOLE SOURCE OPTION [24 CFR 85.36 (d)(4)]**

This method may be used only under very limited circumstances and **the UGLG must obtain DEHCR approval before using this method.** When requesting permission to use this method, the UGLG will have to demonstrate that another method of procurement was not feasible because:

- The item or service was only available from a single source;
- A public emergency or condition requiring urgency existed which did not permit the use of competitive procurement; or
- Competition was determined to be inadequate after solicitation of proposals from a number of sources.

### **STARTING THE WORK**

**In-House:** If the UGLG will use only its own staff to work on the project, work may begin after the Grant Agreement is fully executed. The only costs incurred prior to the Grant Agreement being executed that are eligible for reimbursement from CDBG funds are general administration activity costs, unless a special pre-agreement is issued to the UGLG.

Officials of the UGLG who are acting in their official capacity are considered in-house and are eligible to be compensated for CDBG-related duties if certain conditions are met. For example, if a city council has officially designated an attorney as City Attorney or an engineer as City Engineer, the individual or firm so designated becomes an official of the city. As an official of the city performing CDBG related duties, his/her legal or engineering service charges are eligible program costs to the extent that:

- They are reasonable for the services provided;
- They follow an appointment made in accordance with state and local laws; and
- The amount of compensation charged to the program will be based on payrolls documented and provided in accordance with generally accepted practices of state and local governments, such as time sheets and other payroll records.

DEHCR will disallow costs for UGLGs that abuse these in-house provisions. For instance, appointments of City Engineers must not be made for the purpose of selecting an engineer to work on an anticipated CDBG project. The UGLG must show evidence that they have a history of appointment, unrelated to any current or anticipated CDBG project.

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Contracted: If the UGLG wants to contract out for services, the UGLG must go through a procurement process. The UGLG must select the proper procurement method that meets all federal, state and local laws for the type of good or service sought and the amount of the contract. The only contract the UGLG may execute prior to DEHCR's issuance of the executed *Grant Agreement* is for general administration services. DEHCR may reimburse other costs, such as engineering/architectural costs, if properly procured and specifically indicated in the application instructions, as allowable. The actual construction activities may not start until the *Grant Agreement* is fully executed.

## PROCUREMENT AND CONTRACTING FILES

The UGLG must establish procurement and contracting files and monitor the contracts to assure that the contracts are completed in a satisfactory and timely manner.

The Procurement and Contracting files\* must contain:

- Description of method used to select consultants and contractors;
- *Request for Bids* (RFB), *Request of Qualifications* (RFQ) and *Request of Proposals* (RFP) documents including advertisements, correspondence, and bids/qualifications/proposals received evaluation method(s);
- Cost and pricing data;
- Record of the approval by the governing body of the bid/qualifications/proposal accepted/selected;
- Contract(s) for services;
- Records of partial payments and supporting documentation (in financial management files);
- Contract amendments (if any) and rationale for the amendment;
- Procurement Policy;
- Conflict of Interest disclosure documents and records/Exemption Request documentation (if applicable); and
- Evidence of debarment search.

*\*Contracting documents related to construction may be maintained in the Labor Standards files established for contractors and sub-contractors.*

The UGLG may be asked to provide procurement documentation related to any or all contractors, suppliers and service providers applicable to the project at any time. Improper or inappropriately procured services or goods may result in DEHCR denying payment of ineligible costs.

## DESIGNATING GRANT ADMINISTRATION TO ANOTHER GOVERNMENTAL ENTITY

A UGLG may conduct the activities of grant administration for itself, without a procurement process. This statement seems self-evident, but it is included here because the capacity of an UGLG to do its own grant administration activities forms the foundation for also allowing the UGLG to delegate grant administration activities to some other governmental entities without a procurement process.

## SUB-RECIPIENTS

A sub-recipient is a public or private non-profit agency or organization receiving CDBG funds from a UGLG or another sub-recipient to undertake eligible activities. Another way to say this is that sub-recipients are organizations that are **provided** CDBG funds by an UGLG **for their use** in carrying out agreed-upon, eligible activities.

### WARNING!

The UGLG **must** consult with DEHCR prior to entering into an agreement with a sub-recipient.

## RELEVANT LAWS

Procurement laws governing public construction in Wisconsin are as follows:

- Wisconsin State Statutes, 66.0901 (general), 59.03-04, 59.06 (county), 60.47 (town), 61.50 and 61.54 through 61.57 (village), or 62.15 (cities) concerning advertising and bidding of public projects.

Refer to *Chapter 6: Equal Opportunity, Fair Housing and Section 3* and *Chapter 7: Labor Standards* for additional relevant laws for contracting.

## CONTRACT LANGUAGE

Contracts must include the language from the following attachments:

- Attachment 3-C: Lobbying Certification From Contractor/Sub-contractor;
- Attachment 3-D: Disclosure of Lobbying Activities Form (if applicable)
- Attachment 6-A: Equal Opportunity Clause (EO 11246) (contracts exceeding \$10,000 only);
- Attachment 6-B: Section 3 Language Requirements;
- Attachment 6-C: Affirmative Action Requirements (EO 11246) (contracts exceeding \$10,000 only);
- Attachment 6-D: Goals for Women and Minority Utilization in Construction (contracts exceeding \$10,000 only);
- Attachment 6-E: Federal Employment Opportunity Clauses Contract Specifications (EO 11246) (contracts exceeding \$10,000);
- Attachment 7-B: Davis-Bacon and Related Acts (DBRA) Interpretations and Applications (construction contracts only); and
- Attachment 7-I: Federal Labor Standards Provisions (4010) (construction contracts only).

## ATTACHMENTS

Attachments for this chapter are listed below.

- ATTACHMENT 3-A1: SAMPLE PROCUREMENT POLICY #1
- ATTACHMENT 3-A2: SAMPLE PROCUREMENT POLICY #2
- ATTACHMENT 3-B: LOBBYING CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS – MUNICIPALITY
- ATTACHMENT 3-C: LOBBYING CERTIFICATION FROM THE CONTRACTOR/SUBCONTRACTOR
- ATTACHMENT 3-D: DISCLOSURE OF LOBBYING ACTIVITIES FORM

## ATTACHMENT 3-A1: SAMPLE PROCUREMENT POLICY #1

The following represents the procurement policy of the [City/Village/County/or Town]:

1. Supplies required for operation of municipal offices and departments shall be purchased, as required, in accord with purchase order issued by the respective department head. It is required that purchases be made from suppliers located in the community unless price is not competitive or comparable to that of non-local suppliers.
2. Purchase of outlay items, such as vehicles and other equipment, shall be subject to competitive bidding. The department requesting purchase of these items shall make the request based on specifications. The responsible department head, along with the respective [governing body] committee, will determine which bid will be most advantageous to the community and make recommendation thereon to the full council. Bids may be invited by letter or by advertisement in the local newspaper.
3. Public Works Projects exceeding the Wisconsin Statutory amount of \$25,000 will be bid in accord with Wisconsin State Statutes. Specifications, and/or plans and bid documents, will be furnished to all requesting same. Notice of bid taking shall be published in the local newspaper, Western Builder and Builders Exchange releases. All bids timely received will be opened and read at a pre-specified time and place open to the public. Bids will be received and recommendation thereon will be made to the [governing body]. Contract will be awarded to the responsible bidder submitting lowest bid. Force account projects are exempt from this policy.
4. Professional Services contracts should be selected through a competitive process or thorough departmental review. Architectural and engineering services contracts exceeding \$100,000 must be selected through a Request for Qualifications (RFQ) process. Other professional services contracts exceeding \$25,000, excluding auditing and accounting services contracts, must be selected through a Request for Proposals (RFP) process. ALL professional services contracts must be approved by the [governing body].

\_\_\_\_\_  
Official's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name and Title of Official

## ATTACHMENT 3-A2: SAMPLE PROCUREMENT POLICY #2

It shall be the policy that all supplies, materials, and/or services purchased by the UGLG shall be obtained in a manner that is as efficient and economical as possible and procured in a manner that provides to the maximum extent practical, open and free competition.

### **Operating Supplies and Materials**

1. All purchases of operating supplies and materials shall require a purchase order issued from the [UGLG clerk title]. Whenever practical the employee and/or Department Head requesting the purchase shall acquire multiple quotes to ensure that the items are being purchased in the most economic manner. Purchases over \$500 shall require a minimum of three written price quotations. In the event that three quotes cannot be provided sufficient documentation explaining the limited number of suppliers shall be submitted.
  - a. Regular on-going budgetary purchases may be acquired with one annual purchase order with quotes received annually.
2. All purchases exceeding \$1,500 will require [governing body] approval unless in the case of a true bona-fide emergency.

### **Professional Services**

1. Architectural and Engineering professional services shall be acquired through a Qualifications Based Selection Process whereby a firm or individual's qualifications are the primary determinant in the execution of a contract with said firm or individual.
  - a. Only after the firm has been selected may a cost be asked of the selected firm/individual. In the event that a fair and reasonable price cannot be negotiated the UGLG must select the next highest ranked firm/individual to negotiate with. This will continue until such negotiations result in an executed contract.
2. Other professional services shall be acquired through a process approved by the department head. Contracts exceeding \$5,000 must be approved by the [governing body] prior to executing the contract.

### **Capital Projects/Outlay**

1. Purchase of outlay items, such as vehicles and other equipment shall be subject to competitive bidding. The UGLG shall issue bid specifications. The UGLG will select the most responsible and responsive bid price for said items.
2. Public Works Projects exceeding the Wisconsin Statutory amount of \$25,000 will be bid in accordance with Wisconsin State Statutes. Specifications and/or plans and bid documents will be furnished to all requesting same. Notice of bid taking shall be published in the local newspaper of record and an applicable Builders Journal. All bids shall be received by the designated date and time in the mandatory format. All bids will be opened and read at a meeting open to the public. Bids will be reviewed and acted upon by the [governing body]. Contracts will be awarded to the most responsible and responsive bidders.
3. The UGLG maintains the right to reject any and all bid proposals.

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## **General Provisions**

1. The UGLG shall make every effort possible to use local business firms and contract with small, minority-owned, and women-owned businesses in the procurement process. The UGLG shall incorporate these businesses in the solicitation lists, divide procurement requirements when economically feasible to permit maximum participation of such businesses, and require prime contractors, when sub-contractors are used to take affirmative steps to select such firms.
2. The UGLG shall ensure that awards are not made to any party which is debarred or suspended, or is otherwise excluded from or ineligible for participation in federal assistance programs when federal funds are utilized for a project.

\_\_\_\_\_  
Official's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name and Title of Official

**ATTACHMENT 3-B: LOBBYING CERTIFICATION FOR CONTRACTS,  
GRANTS, LOANS, AND COOPERATIVE AGREEMENTS**

**LOBBYING CERTIFICATION FROM THE MUNICIPALITY**

The undersigned certifies, to the best of his/her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
(Name of Local Government)

\_\_\_\_\_  
(Signature of Chief Elected Official)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of Clerk)

\_\_\_\_\_  
(Date)

**ATTACHMENT 3-C: LOBBYING CERTIFICATION FROM THE  
CONTRACTOR/SUBCONTRACTOR**

**LOBBYING CERTIFICATION  
FROM THE  
CONTRACTOR/SUBCONTRACTOR**

The undersigned certifies, to the best of his/her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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*Name of Business/Firm*

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*Signature of the Chief Executive Officer*

*Title*

*Date Signed*

# CDBG-PF & CDBG-PLNG Implementation Handbook

## ATTACHMENT 3-D: DISCLOSURE OF LOBBYING ACTIVITIES FORM

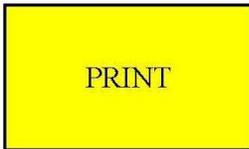
(Fillable form found at <https://www.whitehouse.gov/sites/default/files/omb/grants/sfillin.pdf>)

### DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352  
(See reverse for public burden disclosure.)

Approved by OMB  
0348-0046

<b>1. Type of Federal Action:</b> <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	<b>2. Status of Federal Action:</b> <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	<b>3. Report Type:</b> <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change <b>For Material Change Only:</b> year _____ quarter _____ date of last report _____
<b>4. Name and Address of Reporting Entity:</b> <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known:  Congressional District, if known: <sup>4c</sup>	<b>5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:</b>  Congressional District, if known:	
<b>6. Federal Department/Agency:</b>	<b>7. Federal Program Name/Description:</b>  CFDA Number, if applicable: _____	
<b>8. Federal Action Number, if known:</b>	<b>9. Award Amount, if known:</b> \$	
<b>10. a. Name and Address of Lobbying Registrant</b> (if individual, last name, first name, MI):	<b>b. Individuals Performing Services</b> (including address if different from No. 10a) (last name, first name, MI):	
<b>11.</b> Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____	
<b>Federal Use Only:</b>		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)



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## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

ADDITIONAL NOTES: (optional)