

GENERAL FEDERAL GRANT PROCUREMENT REQUIREMENTS

Office of Community Development-Local Government Assistance

Regulations and Guidance

Federal Uniform Administrative Requirements

Procurement-

24 CFR 85.36 [until 2014]

2 CFR 200 Subpart D

200.317-200.326 [since 2014]

} **Regulations**

HUD Handbook 7460 [2007]

HUD Handbook "Buying Right" [2017]

Federal Acquisition Regulations Title 48 CFR

} **Supplemental Guidance**

General Requirement

General procurement standards.

Grantees/Recipients of federal financial assistance [“the non-Federal entity”] ‘s existing procurement **policies and/or procedures** must **be in conformance with the Federal regulations** found at 2 CFR Part 200 Subpart D [“this section”] and the Federal procurement guidance as provided by the different federal agencies [HB 7460 for HUD]

SOLICITATION

Free and Open Competition

2 CFR 200.319 (b)

“In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that **develop** or draft specifications, requirements, **statements of work**, or invitations for bids **or requests for proposals** must be excluded from competing for such procurements.”

Uniform Administrative Requirements 2014

Competition - Solicitations

Purpose

The purpose of all solicitation types is to achieve effective competition; the receipt of two more responsive bids, proposals or offers in response to the solicitation.

Solicitation Requirements

All Solicitations must provide:

- Adequate and realistic product descriptions, specifications and/or Scopes of Work
 - Descriptions, Specifications or Scopes must be sufficient in detail to provide all vendors, proposers or offerors enough information to accurately estimate the work effort and resources needed to make an effective bid, offer or proposal
- Adequately publicized
 - Time Period
 - Media utilized

Publicizing Requirement

Time Period for Solicitation

“The solicitation must be run for a period sufficient to achieve effective competition,”

“Grantees are encouraged give ample time for the RFP to circulate and for proponents to assemble their submission – an RFP that anticipates more detailed, collaborative, and lengthy proposals needs to make sure that the RFP allows sufficient time to solicit proposals from an adequate number of qualified sources.”

HUD HB 7460

Publicizing Requirement

Media utilized

For RFP/RFQs

“...must be publicized...[to] solicit from an adequate number of qualified offerors” [Federal 2 CFR 320.(b)(2)]

Should be dictated by the market area that constitutes

“...an adequate number of qualified offerors” or “...an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.”

It may require advertising in more than one MSA, direct solicitation, using a commercial procurement website.

Neither Federal or State requirements limit further distribution or other media utilized to achieve effective competition

COMPONENTS OF REQUESTS FOR PROPOSALS (RFP) AND REQUESTS FOR QUALIFICATIONS (RFQ)

What is the difference between RFP and RFQ?

- A **request for proposal (RFP)** is for professional services and includes administrative consulting firms when price is a factor in the selection process.
- A **request for qualifications (RFQ)** is for engineering or architectural services. Louisiana State law (R.S. 38:2318.1 A.) prohibits price or price related considerations as a selection factor. Qualification statements cannot be used to procure any other service (2 CFR 200.302 (d)(5)). Engineering and Architectural firms may be procured for administrative services but the RFP procedure must be utilized to procure administrative services.

Competitive Proposals

- Is a formal method of procurement that provides for evaluation and selection of offerors/proposers on the basis of technical factors [or “qualitative” or “non-cost” factors] other than just price
- the lowest price may not necessarily be the best value.
- permits **tradeoffs** among cost or price and other non-cost factors

Format of Competitive Proposals

COMPONENTS OF REQUESTS FOR PROPOSALS (RFPs) AND QUALIFICATIONS (RFQs)

Format for Requests for Proposals (RFPs) and Requests for Qualifications (RFQs) found on the *LCDBG Procurement Procedures* page

	PURPOSE	
<i>purpose</i>	<i>to explain why the Unit of General Local Government is issuing this proposal</i>	
	OBJECTIVE	
<i>purpose</i>	<i>to explain what this purchase/acquisition/procurement is seeking to obtain</i>	
	BACKGROUND OF THE ISSUER	
<i>purpose</i>	<i>to provide information on the UGLG and pertinent information on the project</i>	
	DEFINITIONS	
<i>purpose</i>	<i>to identify any items that are peculiar to the procurement</i>	<u><i>optional</i></u>
	PROJECT DESCRIPTION	
<i>purpose</i>	<i>to provide sufficient information for proposers to estimate work efforts and time needed to accomplish tasks</i>	
	SCHEDULE OF EVENTS	
<i>purpose</i>	<i>to outline the significant events of the procurement</i>	
	RFP/RFQ Announced/Issued	
	Pre-Proposal Conference	<u><i>optional</i></u>
	Proposer Inquiry Deadline	<i>optional</i>
	Response to Inquiries	<u><i>optional</i></u>
	Proposal Due Date	
	Extended Deadline	<i>optional</i>
	Oral interviews/negotiation	<u><i>optional</i></u>
	SCOPE OF SERVICES	
<i>purpose</i>	<i>to identify what tasks and/or accomplishments contractor will perform</i>	
	Tasks to be performed	
	Objectives	<i>optional</i>
	Requirements	<u><i>optional</i></u>

Components for Competitive Proposals

PURPOSE

Explains why the Unit of General Local Government is issuing this proposal

OBJECTIVE

Explains what this procurement is seeking to obtain. best quality, most qualified, best price, expeditious performance

BACKGROUND OF THE ISSUER

Provides information on the UGLG and pertinent information on the project. You are telling the proposer **who** you are

DEFINITIONS

Identifies any items that are peculiar to the procurement

PROJECT DESCRIPTION

Provides sufficient information for proposers to estimate work efforts and time needed to accomplish tasks

SCHEDULE OF EVENTS

Outlines the significant events of the procurement

SCOPE OF SERVICES

Identifies what tasks and/or accomplishments contractor will perform.

- objectives
- requirements
- elements & deliverables

CONTRACT AND PAYMENTS

Identifies the type of contract and type(s) of prices that will be utilized in the contract.

- Fixed Price
- Cost Reimbursement
- Time and Materials

Component for Competitive Proposals – Contract & Payments

Fixed Price

- “...the delivery of products or services at a specified price, fixed at the time of contract award and not subject to any adjustment on the basis of the contractor’s cost experience in performing the contract ...It is appropriate for use when ...definite ...performance specifications are available...”

Cost Reimbursement

- “...the delivery of products or services at a specified price, fixed at the time of contract award and not subject to any adjustment on the basis of the contractor’s cost experience in performing the contract ...It is appropriate for use when ...definite ...performance specifications are available...”

Time and Materials

- Direct labor hours at specific hourly rates that include wages, overhead, general and administrative expenses and profit, and
- Materials at cost, including, if appropriate material handling costs as part of material costs

Components for Competitive Proposals -continued

PROPOSERS INFORMATION

Identifies relevant information about each proposer

- general firm background
- general qualifications
- general experience
- References and certain assurances and/or stipulations

Can include information that will not be competitively evaluated or scored

SELECTION PROCESS

Identifies how and who will be conducting the evaluation; one step or two step process, interviews

PRICE/COST

Identifies how much weight price/cost; required for all procurement except design professionals

SUBMISSION REQUIREMENTS

- Request additional or pertinent information not elsewhere requested
- States Requirements for Submission of RFP/RFQ

EVALUATION CRITERIA

Threshold Requirements:

States minimum requirements for all proposers to compete

Weighted Evaluation Criteria

States the criteria for comparison of proposers and selection of contractor

EVALUATION CRITERIA

Evaluation Criteria

Evaluation Criteria should -

- Represent the key areas of importance and emphasis to be considered in the source selection decision;
- Support meaningful comparison and discrimination between and among competing proposals

- Some criteria can represent key areas of importance to the selection **but may not** provide meaningful comparison and discrimination among competing proposals; e.g. the proposers all have similar experience or qualifications and therefore receive the same score
- **Threshold criteria** establishes key areas of importance as a minimum to compete but are not further evaluated or scored; but may **not** provide meaningful comparison
- **Weighted evaluation criteria** are used for criteria that **can** provide for meaningful comparison and discrimination among competing proposals

Evaluation Subjects

Evaluation Subjects:

Qualifications

Experience

Capabilities

Past Performance

Approach Plan

Evaluation Subjects - Advantages/Disadvantages

<u>Evaluation Subjects:</u>	Advantages
Qualifications	Simple to use; does not require much data gathering from proposers, can apply quantitative analysis and comparison; can be used as a threshold factor
Experience	Simple to use; does not require much data gathering from proposers, can apply quantitative analysis and comparison; can be used as a threshold factor
Capabilities	Can provide meaningful discrimination among proposers, Can apply quantitative analysis and comparison
Past Performance	Can provide meaningful discrimination among proposers
Approach Plan	Can provide meaningful discrimination among proposers

Evaluation Subjects - Establishing Value

Competitive Proposals “permits **tradeoffs** among cost or price and other non-cost factors”

Less value from Qualitative subjects

and

More weight given to price/cost

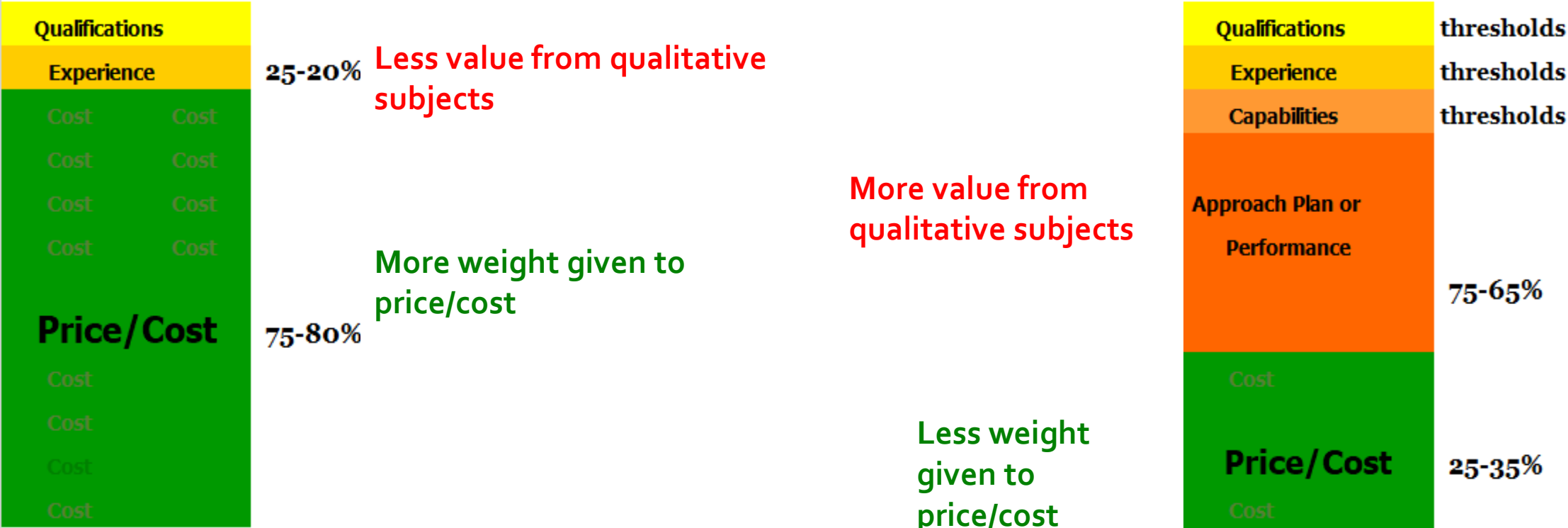
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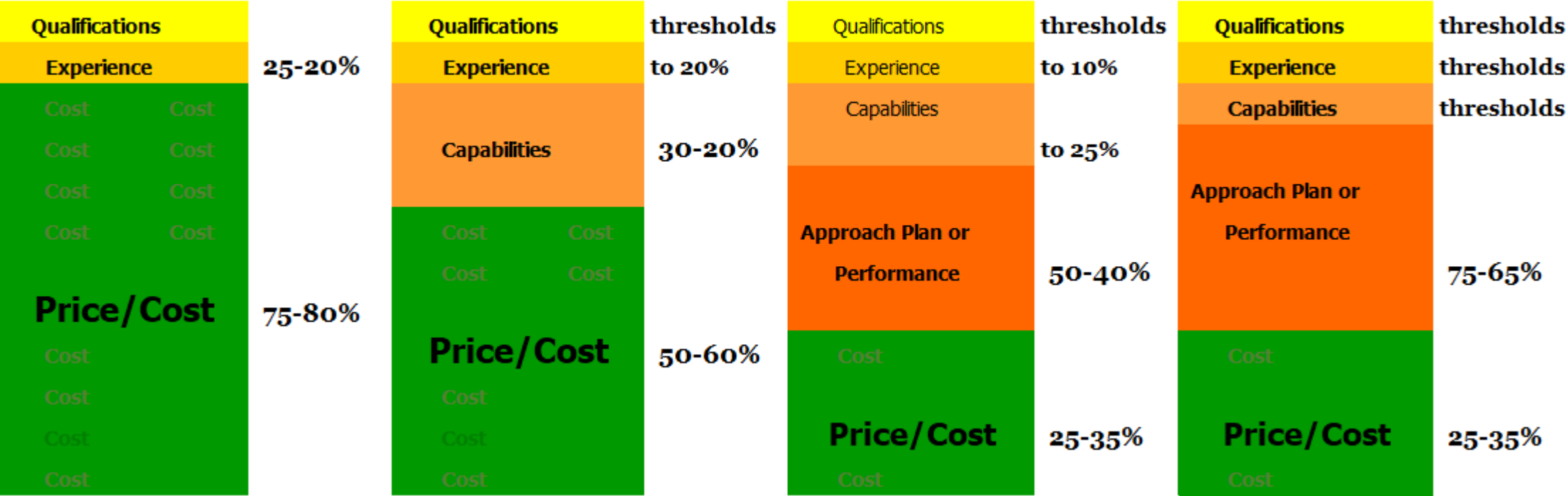
Evaluation Subjects - Establishing Value

CONTINUM OF VALUE



Evaluation Subjects - Establishing Value

CONTINUM OF VALUE



Creating an Evaluation Plan

200.320 (b)(2) "...must have a written method for conducting technical evaluations of the proposals"

<u>COMPONENT:</u>	<u>Explanation:</u>
Rating Subject:	Identify the <u>factor</u> to be evaluated.
Evaluation criteria:	Identify what <u>items</u> will be evaluated.
Rating Factor Rationale:	Explain the <u>reason</u> the factor is relevant to this contractor selection.
Submission requirements:	Identify the items proposers must <u>submit</u> for factor evaluation.
Evaluation basis:	Explain <u>how</u> the items will be evaluated.

Every selected rating factor must have all these components addressed written in the procurement file; they do **NOT** need to be contained in the solicitation

SCORING METHODS

Scoring Methods

Comparative Point Scale

- The proposer with highest raw score sets the scale. Can be used in all scoring situations. Provides for a precise comparative measurement of the evaluated items among the proposers.

Ordinal Ranking

- To be used when quick but less precise or detailed score is required.

Grouping Point Scale

- To be used when COST is the most significant other scoring factor.
- Is used to highlight a significant qualitative difference between proposers; a higher cost proposer may be the better value because it scores substantially better with qualitative measure.
- Should NOT be used unless COST is heavily weighted.

Scoring Methods

Weighted Pointed System

- To be used when some components of the evaluated item are more important than others and are scored accordingly.

Adjectival Rating Systems

- Adjectival rating systems must have clearly defined criteria that distinguish one rating adjective from another
- The solicitation must clearly describe the materials to be submitted for evaluation; any ambiguity will distort the evaluation
- Adjectival rating systems will always have a subjective cast to them, the evaluation team need 3 or more reviewers to even out the bias

EXERCISE!

VILLAGE OF JAZZTOWN

RFP/RFO

- Purpose:

- The Village of Jazztown is accepting proposals for administrative consultants to put together an LCDBG application.

- Objective:

- The VILLAGE of Jazztown is accepting proposals from consultants for management and administrative services required by the VILLAGE for the administration/implementation of a LCDBG Public Facilities Program.

- Background:

- The VILLAGE is an incorporated municipality in the southeastern part of the State. The population according to the 2010 Census is 748. The total number of full time and part time employment for the VILLAGE is three (3). The VILLAGE as has five (5) elected officials including the mayor, chief of police, and three (3) aldermen. VILLAGE is an eligible applicant under the FY 2021 LCDBG Public Facilities Program. The VILLAGE owns and operates a water system consisting of 748 residential customers.

Project Description

- The type of project involved is to provide management and administrative services to keep the Village of Jazztown in compliance with all federal, state, and local standards for the design and construction of a water well system, including, but not limited to maintaining program files, updating policies regarding equal opportunity, construction compliance, and financial management.

Schedule of Events

- Publicizing RFP:
December 3, 10, and 17, 2021
- Final Date for Inquiries or Clarifications: December 30, 2021
4:00 PM
- Initial RFP Submittal Deadline:
January 3, 2022 at 4:00 PM
- Extended Deadline:*
January 17, 2022
- Estimated Contractor Selection:
January 26, 2022
- LCDBG Application Deadline:
February 1, 2022

REMINDER

The RFP/RFQ must be posted for a minimum of 14 days to ensure adequate competition.

Must be made available on website, Facebook page (if available), local journal, and journal of largest nearby city, i.e., Mooringsport will also advertise in the Shreveport paper

Scope of Services

- The services to be provided will include, but not be limited to:
- Assist the VILLAGE in setting up and maintaining their general LCDBG program files in accordance with the requirements of 24 CFR 570.490(b) and the requirements of Part A of the 2021 LCDBG Program Handbook.
- Assist the VILLAGE in reviewing and updating as appropriate their policies regarding equal opportunity in accordance with 24 CFR 570.602, and the requirements of Part A of the current LCDBG Handbook.
- Prepare the appropriate level of Environmental clearance in accordance with the regulations of 24 CFR Part 58 and the requirements of Part A of the 2021 LCDBG Handbook.

Contract and Payment

- The intent of the VILLAGE is to award a cost reimbursement contract. The contract ceiling amount of program implementation reimbursable costs that can be paid for implementation with LCDBG funds will be determined by the state and may require adjustments in the proposed contract amount.
- The ceiling amount will be based upon information provided by proposers/offerors' Cost Reasonableness form. Billing and payment terms shall be negotiated with the successful Proposer.
- All invoices shall be accompanied by an accounting of hours worked, by whom, at the hourly rate, along with a description of work or task performed that has been completed at the time of invoice submission. No advance payments shall be made.

Forms and Information

[LMA Procurement Workshop - 10/21/2021](#)

[Procurement and Citizen Participation Slideshow 1/28/2021](#)

[LCDBG Procurement Procedures](#)

[Subrecipient Agreement for Administrative Activities](#)

[LCDBG Administrative Consultant Contract](#)

—————→ [Engineering Cost Reasonableness](#)

[Administrative Cost Reasonableness](#) ←————

[Household Survey Forms and Household Survey Forms Instructions](#)

[Allowable Professional Services Costs](#)

[Citizen Participation Requirements](#)

[Displacement Policy](#)

[Engineering Fee Schedules and Policies](#)

[Financial Management Questionnaire](#)

[Notice of Application to the Division of Administration for Community Development Block Grant Sewer Project](#)

[Language Access Plan for Limited English Proficiency Speakers](#)

[Verification of Professional Services Eligibility](#)

[Map Requirements for the Environmental Review Record Presentation](#)

<https://www.doa.la.gov/dao/ocd-lga/lcdbg-programs/forms-and-information/>

Threshold Requirements

- Minimum of 5 years experience with LCDBG programs
- Must have administered a minimum of five (5) LCDBG projects in the last five (5) years.

Remember

Threshold requirements are not to be used as a scoring criteria because most if not all of the proposers have these.

Scoring Rating Factors

Rating Factor: Experience 10 pts

- Submission requirements: Proposer will submit documentation to exhibit the proposer's project experience. The proposer shall also submit documentation showing his/her work on similar types of LCDBG Projects and the firm's total cumulative experiences with the LCDBG Program Administration.

Rating Factor: Capabilities 30 pts

- Submission requirements: Proposer will submit documentation stating the number of different personnel performing specific project functions; proposers will identify how which personnel will perform the following functions: project manager, environmental specialist, labor specialist, financial controller/accountant, contracts specialist, civil rights/Sec. 3 specialist and clerical, number of non-routine specialty areas the firm has performed in the last three (3) years, and the average number of years that the firm maintains its employees.

Submission

Cover Letter

- Proposers must submit a cover letter signed by an authorized representative of the entity committing proposer to provide the services as described in this RFP in accordance with the terms and conditions of any contract awarded pursuant to the RFP process. The cover letter must include:
 - 1) **Firm and location**. Indicate the full, legal company name of proposer, the address of its headquarters and the address of the office to which this project will be assigned.
 - 2) **Contact person**. Clearly identify the name, address and telephone number of the proposer's contact person(s) for any and all communications pertaining to this RFP.
 - 3) **Authorized submittal**. Include name, signature, title, address, and telephone number of the person authorized to submit and sign proposer's proposal.

Evaluation Plan

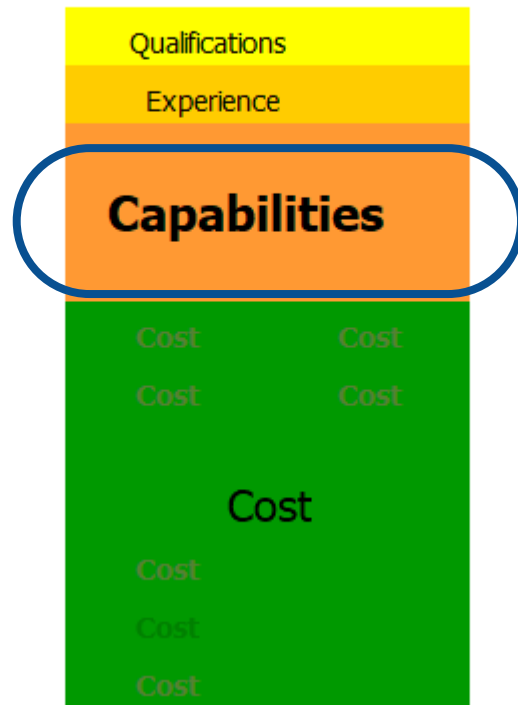
Written method for evaluating proposers' CAPABILITIES

<u>COMPONENT:</u>	<u>Explanation:</u>
Rating Factor:	Proposer's Capabilities: Measurement: Size of Staff by skill level
Evaluation criteria:	Proposer's personnel by job specialty and number
Rating Factor Rationale:	Assumes larger workforce available will be more responsive and timely in contract performance
Submission requirements:	Proposers will submit the job titles required for the project and the number of those employed in those job titles
Evaluation basis:	Scored by job positions and number of incumbents by job title on a comparative point basis

Example – Evaluation subject

Evaluate Proposer's **Capabilities**

CONTINUM OF VALUE



Evaluation-Example

Evaluation basis: Proposer with the larger personnel workforce availability receives most points with others scaled accordingly

Scoring -
Capabilities
subject-
Size of
proposers
Staff

	Proposer A	Proposer B
Project Manager	1	1
Labor Specialist	2	1
Compliance Specialist	5	2
Financial	4	2
Clerical	4	1
Contract specialist	3	1
Raw Score	19	8
Points Awarded	30.0	12.6

QUESTIONS???

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