

## Appendix F: Procurement Checklist

**Description:** This document is provided for Community Development Block Grant Disaster Recovery (CDBG-DR) grantees looking for an example of a procurement checklist.

**Source of Document:** This document was excerpted from an actual Procurement Checklist used by the [City of XXX], ND for its CDBG-DR funded flood recovery program. This document is not an official HUD document and has not been reviewed by HUD counsel. It is provided for informational purposes only.

**How to use this document:** Chapter 3 of the CDBG-DR Procurement Toolkit addresses the pricing, executing and awarding contracts and Chapter 5 lays out a Road Map for the general procurement process. This checklist can be used for a variety of the purchasing methods, including Small Purchase, Sealed Bids, Competitive Bids and Non-Competitive Bids.

The regulations concerning competitive bids for all non-State grantees and for State's that have elected to follow 2 CFR Part 200 procurement regulations, specifically 2 CFR 200.318 through 200.326.

**How to use this example:** A grantee could use this checklist as a guide to the steps in different types of contract award and execution.

### For More Information

This resource is part of the *Community Development Block Grant Disaster Recovery (CDBG-DR) Toolkits*. View all of the Disaster Recovery Toolkits here: <https://www.hudexchange.info/programs/cdbg-dr/toolkits/>.

*Community Development Block Grant Disaster Recovery (CDBG-DR) Toolkits are designed to provide general guidance across all types of disasters (e.g. hurricanes, floods; tornadoes; earthquakes; etc.). CDBG-DR Toolkits are NOT disaster specific. CDBG-DR grant funding for a disaster or group of disasters is governed by CDBG requirements and any modifications contained in one or more Federal Register Notices (FRN) applicable to the disaster. Grantees subject to the Disaster Relief Appropriations Act of 2013 (Public Law 113-2) should review all footnotes for additional applicable citations and guidance. In addition to the FRN, Toolkit users should review applicable Federal cross-cutting requirements. The FRN, as well as cross-cutting requirements, are available on the Department's website.*

For additional information about disaster recovery programs, please see your HUD representative.

**Project Title** \_\_\_\_\_  
**[City of XXX] Project #** \_\_\_\_\_  
**Grant Name and Number** \_\_\_\_\_  
**Type of Solicitation**     Advertisements for Bids  
     RFP    RFQ  
**Approved By:** \_\_\_\_\_  
**Reviewed By:** \_\_\_\_\_

## Procurement Checklist

This document must be utilized for all Federal procurement and is the responsibility of the department head, engineer, or program administrator. This checklist provides guidance on Federal procurement regulations. It does not address all procurement issues the City of [INSERT NAME] may experience. Use of the checklist provides a tool to cover most requirements experienced within Federal procurement. Please note each agency has different requirements and the responsibility will fall upon the official conducting the procurement to obtain individual grant requirements before soliciting. The Finance Department will maintain a project file and will need all pertinent documentation and a copy of this checklist forwarded (electronically if possible) upon execution of an award or modification. The Internal Auditors and/or Accountants will review this document during the life of the project to ensure all requirements are being completed and documented appropriately.

	<b>Pre Solicitation- Responsibility of Engineer and/or Department Head and Program Administrator if applicable.</b>	
<input type="checkbox"/>	Independent Cost Estimate (must be completed before bids are opened) --The City of [INSERT NAME] must perform a cost or price analysis for every procurement action, including contract modifications. The engineer's cost estimate will meet this requirement for formal sealed bids. This must be a detailed cost breakdown for the overall estimate providing the elements, such as labor and materials, of the total cost. Cost estimates must be documented and placed in the applicable procurement folder. Any e-mails and/or written documentation concerning cost estimates should be retained in the procurement folder. (See next line and section below regarding architects or engineers (A/E) or professional services procurement.)	
<input type="checkbox"/>	A cost analysis and documentation is required for a RFQ or RFP (competitive negotiations). Cost analyses are used when there is no price competition or when price competition is not the only evaluation factor, such as in procuring A/E, professional, consulting, or program administrator services. A cost analysis must be completed before awarding the contract and placed in the procurement file. Cost analysis is the evaluation of separate elements (e.g. labor, materials, etc.) that make up a contractor's total cost proposal or price to determine if they are allowable, directly related to the project and ultimately, reasonable. To prepare a cost analysis 1) Obtain a detailed breakdown of the contractor's proposed cost and verify the accuracy of the cost and pricing information submitted and evaluate. An analysis contains the following elements: 1) Is the cost reasonable, which means is it allowable under the grant; is it allocable (are costs logically related to, or required in the performance of the contract); and is the cost reasonable? 2) Is the cost necessary? 3) Compare costs proposed by the offeror with actual costs previously incurred by the same contractor for the same or similar work; compare costs of the same or similar work performed by other	

	contractors; compare previous costs estimates from the offeror or other offerors for the same or similar items; compare the methods proposed by the offeror with the requirements of the solicitation; compare with the City's cost estimate prepared with the City Fee Schedule.	
<input type="checkbox"/>	Are there any potential conflicts of interest? A conflict of interest could arise if the employee, officer or agent; any member of his/her immediate family; his/her partner; or an organization which employs or is about to employ any of the above, has a financial or other interest in the firm selected for award. Document to the right if no conflict exists with a description of how this was determined. If a conflict of interest was found, include the determination and resolution of the investigation to the right.	
<input type="checkbox"/>	Were prospective respondents allowed a reasonable amount of time to respond? Sealed bids are to be advertised for XX consecutive weeks with the first advertisement being XX days before the date of the opening of bids.	
<input type="checkbox"/>	Does solicitation contain a clear and accurate description of the technical requirements for the material, product or services, and scope of work (SOW)?	
<input type="checkbox"/>	Specifications and solicitation <b>must not</b> contain features that unduly restrict competition such as unreasonable or unnecessary experience or bonding requirements. A "brand name or equal" description may be used to define the performance or other important requirements of the procurement such as procurement of equipment to integrate with a particular brand of equipment.	
	<b>For competitive negotiation (Request for Proposal (RFP) or Request for Qualifications (RFQ)) such as for architectural or engineering (A/E) or program administrator (PA) contracts; are the below requirements contained in the solicitation?</b>	
<input type="checkbox"/>	Were proposals solicited from an adequate number of qualified sources, and was the solicitation adequately publicized to achieve sufficient competition? Per Must solicit proposals from at least three qualified sources.	
<input type="checkbox"/>	Does the RFP or RFQ contain a detailed list of tasks in the proposed scope of work expected to be accomplished?	
<input type="checkbox"/>	Did the solicitation identify all significant evaluation factors or selection criteria, including the corresponding point system to be used to rate the proposals/qualification statements? These factors include past performance, the ability of professional personnel, willingness to meet time and budget requirements if applicable, related experience on similar projects, and recent and current work for the City.	
<input type="checkbox"/>	Is this a solicitation for architectural/engineering (A/E) professional services? A/E professional services must be solicited with a RFQ. The method where price is not used as a selection factor, can only be used in procurement of A/E professional services.	
<input type="checkbox"/>	If this is not a solicitation for A/E professional services, does the RFP contain cost as an evaluation factor? Request for proposals for services other than A/E, shall always include cost and at least one non-cost qualitative evaluation factor such as experience with like projects	
<input type="checkbox"/>	Document the City of [INSERT NAME's] efforts in hiring minority-owned business enterprises and women-owned business enterprises in this solicitation.	
<input type="checkbox"/>	Solicitation requirements obtained from the grant originator and incorporated into the solicitation and included in the bid requirements. Each funding agency could have differing clauses to be included in solicitations and contracts. Please check with the grant originator to obtain requirements.	
	<b>The below items are required by the City of [INSERT NAME'S] Federal Grant Procurement Policy and must be included in solicitations with clauses included in the bid requirements.</b>	

<input type="checkbox"/>	Notice of use of funding agency funds.	
<input type="checkbox"/>	Davis Bacon labor requirements. Applicable for construction projects > \$2,000.	
<input type="checkbox"/>	Section 3 clause, if funded by the Department of Housing and Urban Development (HUD). The Section 3 program requires recipients of certain HUD financial assistance, to the greatest extent possible, provide job training, employment, and contract opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods.	
<input type="checkbox"/>	Nondiscrimination, affirmative action, and equal employment opportunity in employment.	
<input type="checkbox"/>	Scope of work	
<input type="checkbox"/>	Requirement of affirmative efforts to hire women business enterprises and minority business enterprises.	
<input type="checkbox"/>	Debarment certification	
	<b>Bid, RFP, or RFQ Documents--Responsibility of the Engineer, Department Head, or Program Administrator</b>	
<input type="checkbox"/>	Solicitation (Advertisement for Bids, RFP, or RFQ). Include a copy of the newspaper advertisement in the file plus the solicitation included in the bid documents.	
<input type="checkbox"/>	If a construction contract > \$2,000, was a wage rate included in the bid documents?	
<input type="checkbox"/>	Was the rate checked 10 days before bid date? Document this by printing the 1st page of the wage rate with the date checked on the bottom of the web-page. If no change was made hand write on the page and place in the file.	
<input type="checkbox"/>	If the rate changed was it updated by addendum sent to all holders of the bid documents? This is documented by the addendum to be placed in the file.	
<input type="checkbox"/>	List of proposed bidders and suppliers receiving copies of the bid documents if available.	
<input type="checkbox"/>	Are there adequate number of responses documented? Three (3) for small purchase and competitive negotiation (RFP or RFQ).	
<input type="checkbox"/>	CAUTION! When only one bid is received in response to a competitive bid solicitation, you do not have price competition. If you decide to award on the basis of a single submitted bid price, without negotiation, you must: 1) justify the price is fair and reasonable; 2)compare the bid price to your own in-house estimate or engineers estimate and past prices paid for the same or substantially similar item(s) in the past; 3)obtain information from the marketplace; 4) obtain a complete cost breakdown; 5) perform a cost analysis of the proposed price and ; 6) document the rationale for the award decision and place in the procurement file.	
<input type="checkbox"/>	Copy of all bid proposals included in the file.	
<input type="checkbox"/>	Notes from Pre-Bid Conference(s) if held, included in the file.	
<input type="checkbox"/>	Did the bid response include a 5% bid bond if for a construction or facilities improvement project?	
<input type="checkbox"/>	Record of respondents rejected as not responsible or not responsive and rejection reasoning documented in the file.	
<input type="checkbox"/>	A price analysis is required for every sealed bid procurement. The tabulations of bids with date and time of bid opening notated; along with any evaluations of the proposals documented will meet this requirement. Price analysis is essentially price comparison. It is the evaluation of a proposed price (i.e., lump sum) without analyzing any of the separate cost elements it is composed of. Price analyses are used to compare lump sum prices (not estimates) received from contractors in a competitive pricing situation (when sealed bids are obtained).	
<input type="checkbox"/>	Were there any disputes regarding the procurement?	

<input type="checkbox"/>	Were the disputes handled, resolved, and disclosed?	
<input type="checkbox"/>	Was a protest appropriately filed?	
<input type="checkbox"/>	Did the City of [INSERT NAME] disclose information regarding the protest to the awarding agency?	
<input type="checkbox"/>	Were all protest requirements met by the City of [INSERT NAME]?	
<input type="checkbox"/>	Was the protest resolved within X days after filing?	
<input type="checkbox"/>	Documentation of reason for rejecting any and or all bids must be kept in the procurement file.	
<input type="checkbox"/>	Were any bids or offers rejected or otherwise excluded from the competitive range notified promptly in writing by the procurement officer. The notice shall state the basis for the determination and a proposal revision will not be considered.	
<input type="checkbox"/>	If the procurement was a competitive negotiation, were unsuccessful offerors notified in writing within ten working days of contract award <b>with the protest and debriefing procedures sent with the notification.</b> (City of [INSERT NAME] current procedure is to include an award of bid notice with the items for the Mayor to sign. After the Mayor signs the form, the respective departments are given the bid notice to be sent out the unsuccessful bidders.)	
	<b>Contract/Agreement Documents--Responsibility of the Engineer, Department Head, and Program Administrator.</b>	
<input type="checkbox"/>	Has the contractor's debarment check been completed before recommendations are made to Committee to award the contract? This will be completed by accessing the System for Award Management (SAM) Web site at <a href="https://www.sam.gov">https://www.sam.gov</a> , search records. The printed page from the SAM Web site with the date of the check must be included in the procurement file.	
<input type="checkbox"/>	If the contractor has been found to be suspended, debarred, proposed for debarment, or declared ineligible as of the bid opening date was the contractor's bid rejected, and the next lowest eligible bidder checked for debarment?	
<input type="checkbox"/>	Is there a notice of contract award included in the file?	
<input type="checkbox"/>	Award--does the award document (contract or agreement) contain the below required clauses?	
<input type="checkbox"/>	Breach of contract terms including administrative, contractual, or legal remedies when contractors violate or breach contract terms, and providing such sanctions and penalties as may be appropriate?	
<input type="checkbox"/>	Termination for cause and for convenience by the City of [INSERT NAME]? (Contracts > \$10,000)	
<input type="checkbox"/>	Compliance with Executive Order 11246, Equal Employment Opportunity? (All construction contracts and subcontracts > \$10,000)	
<input type="checkbox"/>	Compliance with Copeland "Anti-Kick-Back" Act? (All construction contracts and subcontracts > \$10,000)	
<input type="checkbox"/>	Compliance with the Davis-Bacon Act? (All construction or repair contracts or subcontracts > \$2,000)	
<input type="checkbox"/>	Was the correct wage rate included in the agreement documents?	
<input type="checkbox"/>	Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act. (All construction or repair contracts or subcontracts > \$2,000, and > \$2,500 for other contracts which involve the employment of mechanics or laborers.) Procurement Policy Page 10 (vi)	
<input type="checkbox"/>	Notice of the awarding agency requirements and regulations pertaining to reporting. (All contracts.)	

<input type="checkbox"/>	Notice of the City of [INSERT NAME] and awarding agencies requirements and regulations pertaining to patent rights, copyrights, and rights in data? (All contracts.)	
<input type="checkbox"/>	Access to any books, documents, papers, or records of the project by the City of [INSERT NAME], Federal agencies, and the Comptroller General of the United States?	
<input type="checkbox"/>	Records must be maintained for five years after the City of XXXX formally closes out each program? Records Management Schedule found on the City of [INSERT NAME'S] Web site.	
<input type="checkbox"/>	Compliance with the Clean Air Act, Clean Water Act, and EPA regulations. (All contracts, subcontracts, and sub grants in amounts > \$10,000)	
<input type="checkbox"/>	Recognition of mandatory standards and policies relating to energy efficiency contained in the State Energy Conservation Plan?	
<input type="checkbox"/>	Does the contract contain a clause allowing the City of [INSERT NAME] and Federal Agencies to be permitted to require changes, remedies, changed conditions, access and record retention, and suspension of work clauses approved by the governing body?	
<input type="checkbox"/>	If the procurement was a competitive negotiation, where price is not the only factor, was a cost ceiling clearly established in the contract which may not be exceeded without a contract modification?	
<input type="checkbox"/>	If the procurement was a competitive sealed bid procurement, was a firm fixed price contract (either lump sum or unit price) awarded to the responsible bidder whose bid is lowest in price and conforms to all the material terms and conditions of the advertisement for bids.	
<input type="checkbox"/>	If the contract was not awarded to the lowest bidder in the case of a competitive sealed bid procurement, was a justification for awarding included in the file with the approval of the Committee and Council? Include the minutes from the Council meeting.	
<input type="checkbox"/>	Prohibited contracts--Agreements and/or contracts must not contain "cost plus percentage of cost" and "percentage of construction costs" pricing structures.	
<input type="checkbox"/>	Contractor Section 3 Plan with applicable tables must be included in the procurement file for HUD funded projects. 24 CFR 135	
<input type="checkbox"/>	List of subcontractors must be included for the procurement file. Per contract requirements	
<input type="checkbox"/>	The general contractor is responsible for checking debarment of their subcontractors. This clause is usually found in the General Conditions from the Bid Documents, which are usually part of the contract documents.	
<input type="checkbox"/>	Subcontractors must be required to adhere to the requirements pertinent to the funding agency and type of agreement. For example, the contractor must include requirements in subcontractor agreements such as affirmative action, Section 3, and equal opportunity. General Conditions of the Bid Documents	
<input type="checkbox"/>	Performance bond for 100% of the contract if required, must be included in the file.	
<input type="checkbox"/>	Payment bond for 100% of the contract if required, must be included in the file.	
<input type="checkbox"/>	Insurance certificates in the amount required in the bid documents must be included in the file. Per contract documents	
<b>Contract/Agreement Execution</b>		
<input type="checkbox"/>	Is the contract/agreement signed and dated by both parties? The contract/agreement must be signed after the council's approval. Documentation of council's approval must be kept in the file.	
<input type="checkbox"/>	Is the proper date placed on the contractual document after it is signed by the Mayor?	
<input type="checkbox"/>	Is the proper date contained within the actual contractual document, if the document contains this language?	

	<b>Change Orders, Amendments, or Modifications To Agreements--Responsibility of Engineer, Department Heads, or Program Administrator</b>	
<input type="checkbox"/>	Is there a copy of each approved change order placed in the procurement file?	
<input type="checkbox"/>	Change orders are normally not approved by City Council or signed by the Mayor. At times amendments and modifications are sent to Council for approval and to the Mayor for signature. If this is the case, the Council must approve before the Mayor signs the documents. Include the Committee and Council minutes to document approval before signature.	
<input type="checkbox"/>	Is the proper date placed on the change order, amendment, or modification after it is signed by the approving official?	
<input type="checkbox"/>	Is the proper date contained within the actual change order, amendment, or modification documents, if the document contains this language?	
<input type="checkbox"/>	Justification for the change order (why is it necessary after the bidding process) with explanation of how the change order relates to the original scope of the contract and to the National Objective (if a HUD project) for the project must be prepared and kept in the file.	
<input type="checkbox"/>	Cost analyses for change orders must be completed and placed in the procurement file. To complete a cost analysis 1) obtain a detailed breakdown of the contractor's proposed cost; 2) verify the accuracy of the cost and pricing information submitted; 3) evaluate the reasonableness of proposed costs by ensuring they meet these three critical tests: are the costs allowable, are the costs allocable (are they logically related to or required in the performance of the contract), are the costs reasonable; 4) are the costs necessary and justifiable to the CDBG-DR activity (should be evaluated by the engineers or other technical personnel) 5) Compare costs with: a. actual costs previously incurred by the same contractor for the same or similar work; b. actual costs of previous of the same or similar work by other contractors; c. previous cost estimates from the offeror or other offerors for same or similar items; d. do the costs reflect the technical approach proposed and the work required? and e. compare to the cost estimate from the engineer, or staff. Copies of subsequent modified cost estimates must be kept with the original with some explanation why they changed it after the bid process. Keep documentation of cost estimates, comparisons, and worksheets to attach to the cost analysis as backup.	
	<b>Additional Funding Agency Requirements--Responsibility of Engineer, Department Heads, or Program Administrators--List Below</b>	
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
	<b>Miscellaneous Correspondence - list below</b>	
<input type="checkbox"/>		
<input type="checkbox"/>		
	<b>Project Completion--Responsibility of Engineer, Department Heads, or Program Administrator</b>	
<input type="checkbox"/>	Council approval of final billing and closure of the project including memo to committee.	
<input type="checkbox"/>	Contractor final lien waivers. City of [INSERT NAME] requirement	
<input type="checkbox"/>	Subcontractor final lien waivers. City of [INSERT NAME] requirement	