

THE DENVER INNER CITY PARISH PROCUREMENT POLICY

PURPOSE

It is the policy of The Denver Inner City Parish (DICP) to ensure that goods and services are purchased in an efficient and effective manner that provides, to the maximum extent practicable, open and free competition and in compliance with the Federal Office of Management and Budget requirements for federal awards (particularly 2 CFR Part 200 317-326) as well as applicable Executive Orders.

The purpose of this policy is to set forth the procurement procedures and approvals required to advance this objective.

CONTRACTOR VS. SUBRECIPIENTS

CONFLICT OF INTEREST

No employee, officer or agent may participate in the selection, award, or administration of a contract if he or she has a real or perceived conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

SUSPENSION AND DEBARMENT

In compliance with Federal grant award regulations, non-federal entities are prohibited from contracting with or making sub awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Non-federal entities must verify that contractors receiving awards of \$25,000 or more are not suspended or debarred or otherwise excluded.

1. For all contracts or agreements to purchase goods or services any part of which may be charged to a program funded by the federal government and expected to total \$25,000 or more on a cumulative basis, the staff member initiating the contract or agreement shall obtain a Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions. Certification shall be signed by the authorized representative of the sub-recipient/contractor/supplier.
2. Once a year the DICP Accounting Department will verify that no vendors or contractors providing goods or services under a federal grant have been suspended or debarred from receiving contracts or sub awards under federal contracting regulations.
 1. New vendors will be checked on the federal government's on-line System for Award Management (SAM) to determine if the vendor has been suspended or debarred.
 2. This subparagraph B does not apply to Development and Marketing service or supply contracts as they are disallowed costs under federal grants.

PROCUREMENT APPROVALS

All purchases and associated procurement processes must have the authorization of the appropriate supervisory level to ensure that purchases meet the appropriate procurement standards, the requirements of the funding sources and the constraints of the operating budget. All purchases and procurement documentation are also reviewed by the Accounting Department. Procurement documentation will be provided to the Accounting Department with the first payment request for the purchase and will be maintained in its contract's files.

The required authorization levels are:

- Under \$3,000 requires the approval of the appropriate program manager
- \$3,000 and over require the approval of the appropriate program director
- Over \$25,000 requires approval of the Executive Director
- Over \$100,000 requires approval of the Executive Director and Board of Directors
- Unbudgeted items over \$50,000 require approval by the Board of Directors (see the Financial and Budgetary Policy)

LEASE VS. BUY

When appropriate, a lease versus buy analysis will be completed.

DOCUMENTATION

Procurement documentation will include, as applicable, the basis for the selection of the successful bid, rationale for the method of procurement, selection of contract type, contractor selection or rejection and the basis for the contract price. Copies of bids or quotes received will be maintained as part of the required documentation.

DICP shall make the procurement documentation available to funding sources upon request. For federally funded contracts, JFS will retain and require subcontractors to retain pertinent financial, statistical and supporting documentation for three years after the end of the grant/award.

PROCUREMENT METHODS

DICP will determine the type of procurement method to be used based on size and funding source of the purchase, appropriate for the particular procurement and for promoting the best interest of the program or project involved.

1. 1) Micro Purchases

Purchases of supplies and services the aggregate dollar amount of which does not exceed \$3,000 (or \$2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act)

may be awarded without soliciting competitive quotations if the price is considered to be reasonable. To the extent possible, attempts should be made to distribute such purchases equitably among qualified supplies. To the extent it is anticipated that purchases will total more than \$3,000 annually, competitive price quotes will be obtained annually.

For instance, two-three quotes should be obtained ahead for paper purchased routinely throughout the year; the lowest price should be documented. If prices are the same, consideration should be given to splitting the orders between qualified suppliers.

2. **2) Small Purchases**

For securing services, supplies, or other property greater than \$3,000 but less than the Simplified Acquisition Threshold (currently \$150,000), informal price or rate quotes will be obtained in writing. These may include email, a price list on website, or a webpage generated via an online search. Oral quotes are also acceptable but should be documented by the person receiving the quote. Quotes should be obtained from an adequate number of qualified sources. Three (3) quotes will generally be considered adequate; however, more or fewer quotes may be deemed appropriate depending on the nature, size, complexity and price variability associated with the purchase.

Purchases above the Simplified Acquisition Threshold - For purchases over the Simplified Acquisition Threshold, sealed bids or competitive proposals may be sought:

3. **3) Sealed Bids**

Sealed bids will be used only if the conditions and requirements of 2 CFR 200.320 (c) are present. Bids must be publicly solicited and a firm fixed price contract is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest price.

4. **4) Competitive Proposals**

Competitive proposals are normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. Competitive proposals must be solicited from an adequate number of qualified sources. Three (3) quotes will generally be considered adequate; however, more or fewer quotes may be deemed appropriate depending on the nature, size, complexity and price variability associated with the purchase.

Each solicitation will have a system for evaluating the successful bid to ensure that the conditions, terms and specifications are met in a timely and compliant manner.

Department of Labor regulations (29 CFR Part 1, "Labor Standards Provision Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall Not less than once a week the recipients shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the

award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to the Federal awarding agency.

5) Noncompetitive, Sole Source Proposals

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

1. The item is available only from a single source;
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
4. After solicitation of a number of sources, competition is determined to be inadequate.

Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333)-Where applicable, all contracts awarded by recipients in excess of \$100,000 that involve the employment of mechanics or laborers shall include a provision for compliance with sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 USC ss 327-333), as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Under section 102 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than 1 and 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Rights to Inventions Made Under a Contract or Agreement

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting

invention in accordance with 37 C.F.R. Part 401, "Rights to inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contract and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Clean Air Act (42 U.S.C. § 7401, et seq.) and the Federal Water Pollution Control Act (33 U.S.C. § 1251, et seq.), as amended – Contracts and subgrants of amounts in excess of \$150,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. xx 7401, et. seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201).

A contract award shall not be made to parties listed on the government-wide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R Part 180 that implement Executive Orders 12549 (3 C.F.R, 1986 Comp., p. 189) and 12689 (3 C.F.R., 1989 Comp., p. 235), "Debarment and Suspension".

The Excluded Parties List System in SAM contains

Federal statuses and Executive Orders. Relevant Federal requirements are found in 2 CFR Part 200 317-326; 45 CFR Part 74 (HHS) and 24 CFR 84 (HUD).