

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
PROCUREMENT OF GOODS AND SERVICES POLICY

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this document is to outline the procurement policy (the "Policy") of the Greater Syracuse Property Development Corporation (the "Land Bank") applicable to the procurement of goods and services paid for by the Land Bank for its own use and benefit in accordance with New York Public Authorities Law §2824(1)(d). This Policy is intended to assure the prudent and economic use of the Land Bank's funds, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud and corruption. In the event a procurement is being made with Federal Award Funds, the procurement action must comply with 2 CFR 200.

SECTION 2. DEFINITIONS. As used herein, the following terms shall have the meaning set forth below.

a. **"Land Bank"** shall mean the Greater Syracuse Property Development Corporation.

b. **"Board"** shall mean the Board of Directors of the Land Bank.

c. **"Chairman"** shall mean the Chairman of the Board.

d. **"Executive Director"** shall mean the Executive Director of the Land Bank.

e. **"Executive Law"** shall mean the New York State Executive Law as amended from time to time.

f. **"Services"** shall mean any services performed for the Land Bank for a fee or other compensation, including legal, accounting, management consulting, investment banking, financial custody, investment management, construction management, construction, repair, planning, training, statistical, research, public relations, architectural, engineering, surveying or other consulting, professional or technical services. Services shall not include any services performed for the Land Bank by its employees within the scope of their employment responsibilities.

g. **"Procurement Contract"** shall mean any agreement for the acquisition of goods or Services.

h. **"Outside Contractor"** shall mean a person, firm, sole proprietor, partnership, company or corporation performing Services for the Land Bank pursuant to a written agreement.

i. **"MWBE Division"** shall mean the division of minority and women's business development in the New York State Department of Economic Development.

j. **"MWBE Threshold Contract"** shall mean:

- i. a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars (\$25,000.00), whereby the Land Bank is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials, or any combination of the foregoing to be performed for, or rendered or furnished to the Land Bank or;
- ii. a written agreement in excess of one-hundred thousand dollars (\$100,000.00) whereby the Land Bank is committed to expend or does expend funds for construction, demolition, replacement, major repair or renovation of real property and improvements thereon. Solely for the purpose of providing the opportunity for participation by certified businesses in the performance of MWBE Threshold Contracts, MWBE Threshold Contracts shall also include leases of real property by the Land Bank to a lessee where: the terms of such leases provide for the construction, demolition, replacement, major repair or renovation of real property and improvements thereon by such lessee; and the cost of such construction, demolition, replacement, major repair or renovation of real property and improvements thereon shall exceed the sum of one hundred thousand dollars (\$100,000.00).

k. **"Minority-Owned Business Enterprise"** shall have the same meaning herein as is set forth in Executive Law § 310(7).

l. **"Women-Owned Business Enterprise"** shall have the same meaning herein as is set forth in Executive Law § 310(15).

SECTION 3. DOCUMENTATION. Action taken in connection with each procurement must be supported by documentation. When an award is made to other than to the lowest responsible offeror, the determination to make the award must be supported by documentation that justifies the award and sets forth the reasons why the award furthers the purposes of this Policy.

SECTION 4. INDIVIDUAL RESPONSIBLE FOR PURCHASING. The Executive Director of the Land Bank is responsible for purchasing goods and Services on behalf of the Land Bank.

SECTION 5. SERVICE CONTRACTS.

a. **Use of Outside Contractors.** The Land Bank may engage Outside Contractors to perform Services only if the Executive Director has determined that it is appropriate to do so. In making such a determination, the following factors shall be considered:

- i. the amount of time likely to be required in performing the services;
- ii. the degree of special skill likely to be required in performing the services;

- iii. the availability of employees of the Land Bank possessing the skills needed to perform the services;
- iv. the likely expense of training employees of the Land Bank to perform the services, and the likely future benefits to the Land Bank of such training;
- v. the availability of Outside Contractors and the likely expense of using Outside Contractors;
- vi. the requirement that the services be rendered by an independent professional, as in the case of auditors' opinions or legal opinions;
- vii. the effect of use of Outside Contractors on other agreements and operations of the Land Bank;
- viii. the extent to which the Land Bank has successfully used Outside Contractors in the past for the services to be performed; and
- ix. the need to assure that the Land Bank conducts its operations in the most effective and efficient manner.

b. **Selection of Outside Contractors.** Selection of Outside Contractors shall be made on a competitive basis, except where:

- i. The total value of the Procurement Contract is not likely to exceed \$1,500;
- ii. The Executive Director determines that (1) the need to obtain high quality services or services having unique or extraordinary features or time requirements substantially outweighs possible cost savings from selection on a competitive basis, or (2) the Land Bank has other cost control procedures to protect it from paying more for services than necessary; or
- iii. The Board otherwise determines that competition would be inappropriate.

c. **Request for Proposals.** Where selection is made on a competitive basis, the Executive Director shall request detailed proposals from at least three Outside Contractors known to have experience in the type of service to be performed. When the total value of a Procurement Contract is likely to exceed \$10,000, the proposals shall be in writing and submitted in response to a Request for Proposals ("RFP") issued by the Land Bank. Proposals shall be evaluated on the basis of all relevant factors such as the Outside Contractor's experience, reputation, technical qualifications, financial condition, past performance, size, quality and availability of staff, identity of supervisory personnel, possible conflicts of interest, proposed scope of work and proposed fee or commission. No single factor shall necessarily be controlling, and the Outside Contractor submitting

the proposal which is most favorable on an overall basis shall be selected, except that the Executive Director may reject any or all proposals if he or she considers such action in the best interests of the Land Bank.

When the total value of a Procurement Contract is likely to exceed \$100,000, the RFP may be preceded by a Request for Qualifications (“RFQ”) from the Land Bank to ensure that only qualified Outside Contractors are invited to submit proposals. Outside Contractors will be determined qualified based on an evaluation of their experience, reputation, technical qualifications, financial condition, past performance, size, quality and availability of staff, identity of supervisory personnel, and any other relevant questions included in the RFQ.

d. **Board Approval.** The following Procurement Contracts for Services shall require approval of the Board and an annual review by the Board:

- i. Any contract involving Services to be rendered over more than one year; and
- ii. Any contract for Services that is likely to result in total payment to the Outside Contractor in excess of \$5,000 per year and is not in the ordinary course of the Land Bank's business of acquiring, maintaining, managing, selling and operating properties of the Land Bank.

SECTION 6. GOODS AND OTHER SERVICES.

a. **Method of Purchase.** Selection of contracts for goods and services other than Services shall be made on a competitive basis except as otherwise set forth herein. The following method of purchase will be used when required by this Policy in order to achieve the highest quality and lowest cost:

<u>Estimated or Actual Value</u>	<u>Method and Approvals Required</u>
\$0 - \$3,000	The Executive Director, in his or her discretion, may enter into a contract on behalf of the Land Bank without obtaining quotations or the approval of the Board.
\$3,001 - \$5,000	At least three quotations, either oral or written, will be obtained. The Land Bank shall solicit such quotations utilizing sources most likely to identify the highest quality and lowest price of the particular good or service including, but not limited to, newspaper and magazine advertisements, internet searches, catalogs, chamber of commerce recommendations and the prior experience of the Land Bank. The Land Bank shall create and maintain a written or digital record of the quotations solicited and received for such purchases. The Executive Director, or another

Land Bank representative or employee designated by resolution of the Board, may enter into a contract on behalf of the Land Bank without obtaining the approval of the Board.

\$5,001 - \$10,000

At least three written quotations will be obtained. The Land Bank shall solicit such quotations utilizing sources most likely to identify the highest quality and lowest price of the particular good or service including, but not limited to, newspaper and magazine advertisements, internet searches, catalogs, chamber of commerce recommendations and the prior experience of the Land Bank. The Land Bank shall create and maintain a written or digital record of the quotations solicited and received for such purchases. Any contract entered into by the Land Bank shall be approved by the Board.

More than \$10,000

At least three written quotations in response to a written request for proposals issued by the Land Bank shall be required. Any contract entered into by the Land Bank shall be approved by the Board.

b. **Number of Proposals or Quotations.** A good faith effort shall be made to obtain the required number of proposals or quotations. If the Land Bank is unable to obtain the required number of proposals or quotations, the Land Bank will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement of the good or service.

c. **Awarding Contracts.** The award of a contract for goods or such other services shall be made to the lowest priced responsible offeror which meets the Land Bank's specifications. In assessing whether an offeror is responsible, the Land Bank should consider all relevant factors, such as the offeror's capacity and financial ability to complete the contract, past performance, experience, reliability, and integrity. Alternatively, the Land Bank may elect to award a contract based on "best value." "Best value" is defined for this purpose as a basis for awarding contracts to the offeror which optimizes quality, cost, and efficiency among responsive and responsible offerors. For purposes of best value, a responsive offeror is an offeror meeting the Land Bank's minimum specifications. In assessing best value, non-price factors may be considered. Such factors include, but are not limited to, the unique or outstanding qualifications of the offeror (including past experience with a particular issue or familiarity with Land Bank operations) and the reliability, efficiency of operation, difficulty/ease of maintenance, useful lifespan, and environmental impact of a product or practice, as applicable.

d. **Documentation.** Action taken in connection with each method of procurement must be supported by documentation.

SECTION 7. CIRCUMSTANCES WHERE SOLICITATION OF ALTERNATIVE PROPOSALS OR QUOTATIONS ARE NOT IN THE BEST INTEREST OF THE CORPORATION.

a. The Land Bank is not required to solicit alternative proposals or quotations if the Executive Director or Chairman, in his or her sole discretion, determines that such solicitation is not in the best interests of the Land Bank. In the following circumstances, it may not be in the best interests of the Land Bank to solicit alternative proposals or quotations:

- i. Professional and Contracted Services. Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgment, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided to the Agency, e.g., legal and accounting services, impact liability issues of the Agency and its members, including securities liability in circumstances where the Agency is issuing bonds. These qualifications and the concerns of the Agency regarding its liability and the liability of its members are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

In determining whether a service fits into this category, the Agency shall take into consideration the following guidelines: (a) whether the services are subject to state licensing or testing requirements; (b) whether substantial formal education or training and experience is a necessary prerequisite to the performance of the services. Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); technical services of an engineer engaged to prepare plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing, or art work; management of Agency-owned property; and computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

- ii. Emergency Purchases. In the case of an emergency, goods or services may be purchased immediately without competitive procedures. An emergency is an unanticipated occurrence beyond the control of the Land Bank that (1) threatens the life, health, safety or welfare of any person; (2) threatens the continued use or function any the Land Bank's property; or (3) is likely to cause damage to the Land

Bank's property if immediate action is not taken. This section does not preclude alternate proposals, if time permits.

- iii. Sole Source. When there is only one source available for the required goods or services, the contract may be awarded without competitive procedures.
- iv. Purchases of Second-Hand Goods. Purchases of surplus or second-hand goods from any source may be purchased without competitive procedures. If alternate proposals were required, the Land Bank would be precluded from purchasing surplus or second-hand goods at auctions or through specific advertising sources where the best prices are usually obtained. It is also difficult to compare prices of used goods, and a lower price may indicate an older product.
- v. Experimental Projects. When the Land Bank wishes to test a new product or technology or evaluate a new source for a product or technology, the Land Bank may award a contract without competitive procedures, provided the contract is limited to the purchase of such goods or services that are necessary to conduct the experiment or test.
- vi. Goods or Services Under \$1,500. The time and documentation required to purchase through this Policy may be more costly than the item itself and would therefore not be in the best interests of the Land Bank. In addition, it is not likely that such minimal contracts would be awarded based on favoritism.
- vii. Buy Local. Reasonable preference will be given to making purchases locally and regionally.

b. **Written Report; Board Approval**. Any decision not to solicit alternative proposals or quotations for any Procurement Contract with an estimated or actual value in excess of \$1,500 must be supported by a written report setting forth the reasons for such decision and must be approved by the Board.

SECTION 8. CONSTRUCTION CONTRACTS. Notwithstanding anything to the contrary herein, pursuant to Not-For-Profit Corporation Law § 1617, the Land Bank shall not award any construction, demolition, renovation or reconstruction contract greater than \$10,000 except to the lowest bidder who, in its opinion, is qualified to perform the work required and who is responsible and reliable. The Land Bank may, however, reject any or all bids or waive any informality in a bid if it believes that the public interest will be promoted thereby. The Land Bank may reject any bid, if, in its judgment, the business and technical organization, plant, resources, financial standing, or experience of the bidder justifies such rejection in view of the work to be performed.

SECTION 9. POLICY REVIEW. The Land Bank shall review this Policy annually, and any amendments must be approved by the Board.

SECTION 10. GENERAL REQUIREMENTS.

a. All Procurement Contracts in an actual or estimated value in excess of \$5,000 shall be in writing and shall be executed by an authorized employee or officer of the Land Bank.

b. Regardless of the value of the Procurement Contract, any Procurement Contract involving Services to be rendered over a period exceeding one year must be approved by resolution of the Board and reviewed annually by the Board.

c. The form of every Procurement Contract shall be approved by the Land Bank's counsel prior to execution.

d. Procurement Contracts which require contractors to perform services on premises owned or controlled by the Land Bank shall require proof of Workers' Compensation and proof of liability insurance naming the Land Bank as additional insured and shall provide that the Outside Contractor indemnifies the Land Bank for the negligent acts and omissions of the Outside Contractor's employees. When appropriate and at the discretion of the Board, these contracts may further require the contractor to provide proof of environmental pollution insurance.

SECTION 11. PROMOTION OF MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES.

It is the goal of the Land Bank to award a fair share of Procurement Contracts to Minority-Owned Business Enterprises and Women-Owned Business Enterprises. It is also the Land Bank's goal to award Procurement Contracts to those procurement contractors who have evidenced compliance with the laws of the State of New York prohibiting discrimination in employment. The following procedures shall be followed:

a. For all contracts for goods and Services, bidders shall be encouraged to include with their bids or RFP responses separate proposals which would demonstrate how their selection will achieve the goals of this Section.

b. Empire State Development maintains a list of certified Minority-Owned Business Enterprises and Women-Owned Business Enterprises by name and area of expertise, and each individual responsible for soliciting bids and proposals for the Land Bank shall rely on Empire State Development's list, consult the list, and contact appropriate Minority and Women-Owned Businesses to encourage them to submit bids or RFP responses.

c. In selecting a bidder where a Minority-Owned Business Enterprise or Women-Owned Business Enterprise has been identified, due consideration shall be given to the goals of the Land Bank.

d. **Required Contract Provisions.**

- i. All MWBE Threshold Contracts, all documents soliciting bids or proposals for MWBE Threshold Contracts, and every subcontract between the contractor of a MWBE Threshold Contract and its subcontractors for the MWBE Threshold Contract shall contain or make reference to the provisions required by Executive Law § 312 concerning equal opportunities for minority groups and women.
- ii. All MWBE Threshold Contracts for construction, demolition, major repair or renovation of real property and improvements thereon shall include the provisions required by Executive Law § 313 concerning minority and women owned enterprises.
- iii. All MWBE Threshold Contracts shall include the provisions required by Executive Law § 316 and § 316-A concerning enforcement, prohibitions and violations.

e. **Copies to be provided.** Pursuant to § 315(2) of the Executive Law, the Land Bank shall provide to all prospective bidders for a MWBE Threshold Contract, a current copy of the directory of certified businesses, and a copy of the regulations required pursuant to § 312 and § 313 of the Executive Law at the time bids or proposals are solicited.

f. **Waivers.** In compliance with Executive Law § 313(6), where it appears that a contractor cannot, after a good faith effort, comply with the minority and women- owned business enterprise participation requirements set forth in a particular MWBE Threshold Contract, a contractor may file a written application with the Land Bank requesting a partial or total waiver of such requirements setting forth the reasons for such contractor's inability to meet any or all of the participation requirements together with an explanation of the efforts undertaken by the contractor to obtain the required minority and women-owned business enterprise participation. In implementing the provisions of this section, the contracting agency shall consider the number and types of minority and women-owned business enterprises located in the region in which the MWBE Threshold Contract is to be performed, the total dollar value of the MWBE Threshold Contract, the scope of work to be performed and the project size and term. If, based on such considerations, the contracting agency determines there is not a reasonable availability of contractors on the list of certified business to furnish services for the project, it shall issue a waiver of compliance to the contractor. In making such determination, the Land Bank shall first consider the availability of other business enterprises located in the region and shall thereafter consider the financial ability of Minority and Women-Owned Businesses located outside the region in which the contract is to be performed to perform the MWBE Threshold Contract.

g. **Monitoring.** The Land Bank shall comply with the monitoring requirements set forth in Executive Law § 315(1).

h. **Reports.** The Land Bank shall comply with the reporting requirements set forth in Executive Law § 315(3).

i. **Goals.** In all MWBE Threshold Contract Procurements the Land Bank shall set MWBE goals for contracts made directly or indirectly to minority and women- owned business enterprises, in accordance with the findings of the 2010 disparity study, to attempt to achieve the results with regard to total annual Procurement in regards to MWBE Threshold Contracts as set forth in Executive Law § 313(1).

j. **Duplication.** The Land Bank shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity and whether the imposition of the requirements of this section duplicate or conflict with any such law and if duplication or conflict exists, the Land Bank shall waive the applicability of this section to the extent of such duplication or conflict.

SECTION 12. MISCELLANEOUS PROVISIONS.

a. **Powers of Amendment.** Any modification or amendment of this Policy may be made by a supplemental resolution adopted at any duly constituted meeting of the Board; provided, however, that no such modification or amendment shall abrogate the rights and duties of existing Land Bank contracts, the terms of which were established pursuant to this Policy or to a previously existing policy.

b. **No Recourse Under This Policy.** No provision of this Policy shall be the basis for any claim based on this Policy against any member, officer or employee of the Land Bank or the Land Bank itself.

c. **Provisions Required By Law.** This Policy is hereby deemed to include any provision required by law to be included herein.

SECTION 13. PURCHASE WITH FEDERAL AWARD FUNDS

1. Purchases made when procuring property or services through a federal award with federal funds follow the procurement standards under the Federal Uniform Grants Guidance. Procurement transactions maximize free and open competition. Will avoid purchasing unnecessary items and limit the purchase to necessary quantities. Written solicitations have a clear scope of work, requirements and features prospective bidders must meet, a preference to conserving natural resources and the environment, and positive efforts to use small, disadvantaged and minority owned firms when possible. Documentation of the reason for the type of procurement bid used, the basis for contractor selection, a justification for lack of competition or sole-source procurement, and the basis for award cost and price shall be made. Where appropriate, conduct an analysis of lease and purchase alternatives to determine which would be the most economical and practical procurement.

Revisions proposed for board consideration 11/19/24

Purchase requirements are based on the current federally adopted simplified acquisition thresholds (SAT). Purchases exceeding \$10,000 are subject to pre-award review by the federal entity to ensure procurement procedures are adequate. Special consideration is given to environmentally friendly, and energy efficient products/services (see 2 CFR 200.322). Quotes and bids must include specifications and qualifying characteristics to be considered by the vendor/contractor, including delivery and time frame, the scope of work, references, and other relevant specifications. Quotes must be provided by the vendor as a written statement regarding the price for a specific good or service.

Under [2 CFR 200.324\(a\)](#), recipients must perform a cost or price analysis in connection with every procurement action other than micro-purchases and simplified acquisitions, including contract modifications. Price analysis includes the comparison of price quotations submitted, market prices, bid prices for firm fixed-price contracts or similar information. A price analysis is an examination of the price proposed and an assessment or evaluation as to whether it is fair and reasonable. Cost analysis is the review and evaluation of each element of cost to determine reasonableness.

Purchases made with federal funds shall be received and deemed acceptable prior to payment being made.

Purchase Threshold Requirements

Purchase Thresholds and categories are defined as bulleted below, as referenced from [2 CFR 200.320](#):

- Micro-Purchases (Purchases under \$10,000)
- Small Purchases (\$10,001 – \$250,000)
- Competitive Purchases/Sealed Bids (\$250,001+)
- Noncompetitive Proposals

For all purchases (single or cumulative) over \$10,000 from a single vendor within a fiscal year, written price or rate quotes will be obtained from an adequate number of qualified sources.

a) Micro-Purchases (Purchases under \$10,000)

Competitive quotations are not required if the prices are reasonable. Selection will be based on the quality and cost, with every effort made to identify 3 (three) price quotes. To the extent practicable, purchases will be distributed equitably among qualified suppliers. Price quotes are to be obtained by the grant manager or Administrative Manager, and reviewed and approved by the Deputy Director prior to final review and approval by the Executive Director.

b) Small Purchases (\$10,001 – \$250,000)

ABC will obtain price quotes for small purchases, with every effort made to obtain 3 (three) price quotes. Price quotes may be formal (i.e., a quote submitted on vendor letterhead) or informal (i.e., phone call or web search) from an adequate number of sources, but not less than three. All quotes, including phone calls, web searches, etc., will be documented and kept on file for 5 (five) years.

c) *Competitive Purchases/Sealed Bids (\$250,001+)*

Sealed bids will be used when the selection of the successful bidder can be made principally on the basis of price. Invitation for bids will define the items or services needed to allow bidders to properly respond. Descriptions will not contain features that unduly restrict competition, such as requiring certain brands or manufacturers of items. Bids will be solicited from an adequate number of know supplies providing sufficient response time. Price and cost analyses will be performed and documented.

d) *Noncompetitive Proposals*

Procurement shall be conducted competitively to the maximum extent possible. Procurement by non- competitive proposals must have prior approval from any/all federal funding sources. Procurement by non- competitive proposals may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, or competitive proposals and one of the following applies:

- The item is available only from a sole source, based on a good faith review of available sources.
- An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause severe injury to ECA, as may arise by reason of flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary to alleviate the emergency; or
- After solicitation of a number of sources, competition is determined inadequate.

Written justifications for using such procedures shall support all procurements based on noncompetitive proposals, and shall be documented.

OUTSIDE SERVICES

The entity will sometimes retain the services of outside organizations in performing the work of a grant or contract. These services will fall under one of the following three types of procurements: General Procurements (Contracts), Consultants, or Sub-recipient agreements. Before entering into any agreement with any organization, it is the policy to check the status of the organization on www.sam.gov to assure that they are not subject to disbarment or suspension.

General Procurements and Sub-Recipient Agreements

General Procurements (Contracts)

A procurement is considered a general procurement (Contract) if it is made from an organization that normally provides such goods and services to many organizations as part of its operations and if it operates in a competitive environment. This entity shall be known as a contractor. For general procurements, a contract or letter of agreement

will be drawn up and signed by both parties. The contract or letter of agreement will clearly outline the services, materials, or supplies that will be performed or purchased, the total cost of such services or goods, and a clear delivery date of such services or materials. The contract or agreement will include a termination clause.

Sub-Recipient Agreements

The procurement of goods and services will be considered a sub-recipient on a grant if that organization completes a significant and substantive part of the effort, if that organizations work has its performance measured against whether the objectives of the program are met, if the organization has responsibility for programmatic decision making and if the organization has responsibility for adherence to applicable program compliance requirements.

A sub-recipient agreement will be drawn up and signed by both organizations. This agreement will include a description of the work to be performed, the period of performance for the work, the method by which the sub- recipient will be monitored and evaluated on their efforts, and the total cost of the work to be performed. The agreement will contain all the regulatory requirements of the grant or award as well as the CFDA title and number, award name and number, award year, and the name of the federal agency providing the funding. The sub-recipient will be required to file progress reports and the frequency of the reports will be outlined in the agreement. Progress reports will include a comparison of actual accomplishments with the goals and objectives established for the period. For example, progress reports required interim and final reports will be submitted. Finally, a termination clause will be included in the Sub-Recipient agreement.

Contractor/Sub-Recipient Monitoring

- Monitor the performance of their subrecipients and ensure that they comply with all applicable regulations, statutes, and terms and conditions which flow down in the subaward;
- Address reporting of subawards to FFATA Subaward Reporting System (fsrs.gov) for all obligating actions of \$30,000 or more in federal funds (not including Recovery Act funds)
- Include enforcement procedures for noncompliance including conditions under which termination may occur.

Consultants

The organization may secure a contract with a consultant, defined as an individual with specialized skills who, although not on the recipient's payroll as an employee, provides personal services to the recipient under an agreement which essentially establishes an employer-employee relationship between the recipient and the individual providing the services. Normally a consultant expense will be included in the budget proposal submitted to the federal agency. A consulting agreement will be drawn up and signed by both parties.

The consulting agreement will contain a complete description of the services to be

performed, the agreed upon price for such services, and the period of performance for the services. The consulting agreement must specify pay rates that include base rate, fringe benefits, and overhead. The agreement will also outline measures of performance that must be met by the consultant, the process for evaluation of performance, as well as all the regulations required by the grant agreement. Finally, the agreement will include a termination clause.

Consultant Rates

Federal funds may not reimburse recipients for compensation they pay to individual consultants on an hourly, daily, or other basis that has the effect of exceeding the amount paid to federal employees at Level IV of the Executive Schedule. The cap on compensation for individual consultants is statutory, applies to all recipients including states, and may not be waived by federal agencies. The consultant fee cap only covers personal compensation. Reimbursements pays to consultants for overhead and travel costs are not subject to the consultant fee cap.

DISADVANTAGED BUSINESS ENTERPRISES

It is the policy of entity to ensure that Disadvantaged Business Enterprises have an equal opportunity to receive and participate in contracts. It is also the practice of the entity to ensure nondiscrimination in the award and administration of contracts; to create a level playing field on which DBEs and small businesses can compete fairly for contracts; to ensure that the DBE program is narrowly tailored in accordance with applicable law; to ensure that only firms that fully meet eligibility standards are permitted to participate as DBEs; to help remove barriers to the participation of DBEs and small businesses in federally funded contracts; and to assist the development of firms that can compete successfully in the marketplace outside the DBE program.

Whenever possible, DBE and Small Business Enterprises (SBE) contractors and vendors shall be given procurement preference when multiple bids have been received that are equal in value and services to be provided. When services or goods related to capital projects are to be procured, staff shall comply with all SBE and DBE requirements outlined in the funding agreements. These Good Faith Efforts are methods used to ensure DBEs have the opportunity to compete for procurements funded by federal financial assistance dollars.

The entity documents the methods used to adhere to the Good Faith Efforts and will retain the documentation in the records of the organization. Documentation will include, but is not limited to, email logs, phone logs, electronic searches and communication, handouts, flyers, or similar records. In addition, if one or more of the Good Faith Efforts cannot be performed, the circumstances that have prohibited the full execution of each step will be documented and retained.

These efforts include:

- I. Placing qualified DBE Vendors on solicitation lists;

- II. Soliciting DBE Vendors whenever they are potential sources;
- III. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by DBE Vendors;
- IV. Establishing delivery schedules, where requirement permits, which encourage participation by DBE Vendors;
- V. Using services and assistance, as appropriate, of such organizations as Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- VI. Requiring the prime contractor, if subcontracts used, to take affirmative steps listed in paragraphs (i) through (v) of this section.

As applicable, the entity will submit the required MBE/WBE Utilization Form <https://www.epa.gov/grants/epa-form-5700-52a-united-states-environmental-protection-agency-minority-business> (at least annually) to applicable federal agencies for any assistance agreement when: funds are budgeted for procuring construction, equipment, services and supplies (including funds budgeted for direct procurement by the recipient or procurement under sub-awards or loans in the “Other” category) with a cumulative total that exceed the Simplified Acquisition Threshold (SAT) (currently, \$250,000), including amendments and/or modifications? Note: The threshold will be automatically revised whenever the SAT is adjusted; See 2 CFR Section 200.1)