

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Supervisor Marion Ashley

SUBMITTAL DATE:
August 5, 2014

SUBJECT: Acceptance of City of Perris CDBG Agreement for DropZone Waterpark

RECOMMENDED MOTION: That the Board of Supervisors:

1. Authorize the agreement between the Regional Park and Open-Space District and the City of Perris; and
2. Authorize the chairperson to execute (3) copies of the agreement; and
3. Authorize the General Manager, or designee, to take all actions necessary to administer the agreement and execute future ministerial amendments to this agreement; and
4. Directs the Clerk of the Board to return (2) copies of the executed agreement to the Regional Park and Open-Space District for transmittal and approval from the City of Perris.

BACKGROUND: The City of Perris operates a federally funded Community Development Block Grant (CDBG) program whose mission is to carry out a wide-range of community development activities directed toward revitalizing neighborhoods, economic development and providing improved community facilities and services. Projects funded under this program must be consistent with broad national priorities for CDBG: activities that benefit low-and moderate-income people, the prevention or elimination of slums or blight, or other community development activities to address an urgent threat to health or safety.

In February 2014, Riverside County Regional Park and Open-Space District applied for and was subsequently awarded CDBG funds from the City of Perris in the amount of \$30,000 to provide aquatics activities under the Mission: S.A.F.E. program at DropZone Waterpark. The Mission S.A.F.E. program will provide a variety of aquatics related classes including swim lessons, adapted swim lessons, water aerobics classes, and water safety classes taught by certified instructors. These classes will be made available to qualified low-and moderate-income residents of the City of Perris at no cost to participants. The funding awarded under this grant agreement will be utilized to cover some of the costs associated with staffing the program.


Marion Ashley, County Supervisor
Fifth District

DISTRICT



City of Perris Housing Division

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SUB-RECIPIENT AGREEMENT

BETWEEN THE CITY OF PERRIS AND THE RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

This SUBRECIPIENT AGREEMENT is for the purpose of establishing the responsibilities and requirements to be assumed by the City of Perris herein referred to as “Grantee” and the Riverside County Regional Park and Open-Space District, herein referred to as “Sub-grantee,” in implementing the FY 2014-2015 CDBG Mission S.A.F.E. Program pursuant to the approved 2014-2015 Annual Action Plan, and 2014-2019 Five-Year Consolidated Plan approved by the City Council of the City of Perris. This AGREEMENT is subject to the receipt of funds from the United States Department of Housing and Urban Development (HUD). The term of this AGREEMENT shall commence on July 1, 2014 and end on June 30, 2015.

CDBG GRANT FUNDS:

The City of Perris City Council and HUD, through the City’s approved 2014-2015 Annual Action Plan and 2014-2019 Five-Year Consolidated Plan, have approved CDBG Funding for the Sub-grantee’s Mission S.A.F.E. Program. It is agreed and understood that the total AGREEMENT to be paid by the City of Perris under this agreement shall not exceed \$30,000.00, for Fiscal Year 2014-2015. Funds paid for the Mission S.A.F.E. Program will be specifically used for the Project Activities specified herein.

The City automatically recaptures funds that have not been spent at the end of the Fiscal Year. Unless specifically granted as carryover, the funds recaptured go the undesignated reserve to be reprogrammed for other CDBG projects and programs. For unspent funds to be granted as a carryover, the Sub-grantee must provide documentation describing the need for and use of the unspent funds for the new Fiscal Year. The City Council will approve the use of unspent funds through the Annual Action Plan.

CDBG PROGRAM/PROJECT DESCRIPTION:

The purpose of the Sub-grantee’s Mission S.A.F.E. Program is to provide services to meet HUD’s National Objectives as defined in 24 CFR 570.208(a), by benefitting low- and moderate-income persons. It is intended to assist the City in implementing its strategy of creating a suitable living environment to low-moderate income households through the use of CDBG funds. It is an eligible Activity under HUD, and also implements the Public Service Strategy outlined in the City’s Five Year Consolidated Plan to provide community and supportive services for the low-moderate income persons citywide, based on the City of Perris being a 56.7% Low-Mod community. The National Objective for this project is Low-Mod Area (LMA) - Citywide. The primary objectives of the Program are to:



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1. Teach water safety and encourage fitness and overall health for residents living in the incorporated limits of the City of Perris.

PROGRAM STATEMENT OF WORK:

The Sub-grantee's Mission S.A.F.E. Program shall provide the following level of program services as identified in the Sub-grantee's Application for Funding, described as follows:

Program/Project Activities	Total No. Persons/ Month	Total No. Persons /FY 14-15
Provide swimming, water safety, and water fitness lessons	44	538

The Sub-grantee's Mission S.A.F.E. Program will engage in the following activities to deliver these services in accordance with the schedule outlined, consistent with their FY 2014-2015 application for funding, dated February 19, 2014:

1. Grantee will administer a pre-program assessment a survey to determine skill level and overall health of participants;
2. Grantee will administer a post assessment to capture any increase in skill and knowledge as compared to the pre-program assessment;

PROGRAM BUDGET:

The Sub-grantee's Program/Project budget for activities performed under this AGREEMENT shall be as follows:

LINE ITEM/TYPE	AGREEMENT	JUSTIFICATION
Personnel Costs	\$30,000	Salaries for 30 lifeguards delivering the identified courses to the program participants.
TOTAL PERSONNEL	\$30,000	
TOTAL NONPERSONNEL	\$0.00	
Total CDBG Program Budget	\$30,000.00	



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ADDITIONAL BUDGET PROVISIONS:

1. It is understood that all services provided by the Sub-grantee's Mission S.A.F.E. Program, which are supported by the use of CDBG Funds under this contract shall be limited to the incorporated City of Perris residents only.
2. Per OMB Circular No. A-122 - Cost Principles for Non-Profit Agencies, all costs must be **necessary, allowable, reasonable and allocable** to the CDBG Project Mission S.A.F.E. Program. See Attachment1 as reference material, however this Attachment does not supersede the complete version of OMB Circular No. A-122.

PROGRAM BUDGET REVISIONS:

If during the course of the Fiscal Year the Sub-grantee determines that a program budget revision is necessary, a revised program budget must be submitted to the CDBG Project Coordinator for review. The Sub-grantee must provide written justification for the program budget revision, including the impacts on the program objectives. The revised program budget and written justification will be circulated to the City Manager for review and approval. Once approved, a copy of the revised program budget will be retained in the project file and the City Finance Department. Any changes in the program budget resulting in a change to the total program budget requires and amendment to the Annual Action Plan.

PAYMENT REIMBURSEMENT PROCEDURES:

Grant fund payments to the Sub-grantee shall be made on a monthly basis by the City Finance Department based on the information submitted by the Sub-grantee and shall be consistent with any approved budget submitted by the Sub-grantee. The Sub-grantee shall submit a Reimbursement Request Form, on a form prescribed by the City, and required support documentation, including invoices, employee time sheets, receipts and other support documentation, as may be required by the City, to the Grantee on a monthly basis. The Grantee will review and approve the Reimbursement Request and the required supporting documentation submitted by the Sub-grantee as soon as practicable. Once approved, the Grantee will forward the approved Reimbursement Request Form, to the assigned Finance Staff for payment processing. The Finance Staff shall remit reimbursement payment(s) to the Sub-grantee as soon as practicable, upon receipt of all required documentation from the Grantee.

Typical support documentation required to be submitted by the Sub-grantee to the Grantee for cost reimbursement shall include:

1. Quarterly Progress Status Report, in a form prescribed by the City, which summarizes the progress made toward meeting service goals by providing Grantee with statistical client data, including client



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name, client address, client income level, client age, client race, client gender and client female head-of-household data, for each client served, as well as Program/Project financial status, including total grant amount, amount expended and balance remaining, and all Program Income generated for the month.

2. In addition, the final Request for Reimbursement submitted by the Sub-grantee at the end of the Fiscal Year shall be accompanied by an Annual Progress Status Report, in a form prescribed by the City, and an Individual Program CAPER, together which cumulatively summarize the client statistical data and Program/Project financial data for the Fiscal Year;
3. Invoices and/or receipts for eligible expenses;
4. Employee Time Sheets; and
5. Other support documentation as deemed necessary by the City.

PROGRAM INCOME:

In accordance with CDBG Regulations, 24 CFR Part 570, the Sub-grantee agrees that any Program Income received as a result of this AGREEMENT shall be accounted for monthly and shall be required to return to the City of Perris, pursuant to 24 CFR Part 570.504 (c), at the end of the Program year.

CLIENT DATA RECORDS:

The Sub-grantee shall verify income and residency of program clients, and maintain statistical client data for each client and other records that documents that each client meets the Riverside County Income Limits, referenced below, for very-low to moderate-income level eligibility requirements for the services provided, including, but not limited to, client name, client address, client income level, client age, client race, client gender and client female head-of-household data, and other applicable written data such as sign-in sheets, attendance records, and measurable data, where applicable, such as the number of complaints, investigations, enforcement actions, households assisted, etc., for each client served. All data shall be collected daily, accurately reported and summarized in a table, so that it is easily accessible.

The Sub-grantee acknowledges that the statistical client data collected and maintained under this AGREEMENT is private, and use or disclosure of such information to any party outside this AGREEMENT is prohibited by the Health Insurance Portability and Accountability Act (HIPAA) of 1996, unless written consent is obtained from the person receiving service or a responsible guardian.



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2014 INCOME LIMITS for Riverside County (Effective July 1, 2014)

Household Size	Extremely-low/Poverty (30% of MFI*)	Very-low Income (50% of MFI*)	Low/Moderate Income (80% of MFI*)
1	\$ 0 - \$12,750	\$12,751 - \$21,250	\$21,251 - \$34,00
2	\$ 0 - \$15,730	\$15,731 - \$24,300	\$24,301 - \$38,850
3	\$ 0 - \$19,790	\$19,791 - \$27,350	\$27,351 - \$43,700
4	\$ 0 - \$23,850	\$23,851 - \$30,350	\$30,351 - \$48,550
5	\$ 0 - \$27,910	\$27,911 - \$32,800	\$32,801 - \$52,450
6	\$ 0 - \$31,970	\$31,971 - \$35,250	\$35,251 - \$56,350
7	\$ 0 - \$36,030	\$36,031 - \$37,650	\$37,651 - \$60,250
8	\$ 0 - \$40,090	\$40,091 - \$40,100	\$40,101 - \$64,100

OTHER RECORDS:

In addition, the Sub-grantee shall maintain all records required by the federal regulations specified in 24 CFR 570.506 that are pertinent to the activities funded under this AGREEMENT, including:

1. Records providing a full description of each activity undertaken;
2. Records required to determine eligibility of activities;
3. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance (if any);
4. Records documenting compliance with equal opportunity components of the CDBG Program;
5. Financial records as required by 24 CFR 570.502 and 24 CFR 84.21-28;
6. Other records necessary to document compliance with 24 CFR 570.600-614 (Subpart K);
7. Applicable Records per the Record Keeping Checklist in the CDBG Program Policies & Procedures Manual;
8. Pursuant to the Federal Funding Accountability & Transparency Act (FFATA), Sub-grantees shall obtain a Data Universal Numbering System (DUNS) number developed and regulated by Dun & Bradstreet and Central Contracting Registry (CCR) number and provide said numbers to RDA/CDBG Coordinator Staff so that pertinent Program/Project information can be reported to HUD through their Federal Sub-award Reporting System (FSRS) site.



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REPORTS:

The Sub-grantee shall submit regular progress reports to the Grantee in the form, content, and frequency as required by the Grantee:

1. **First Quarter Report:** Covers activity from July 1, 2014 – September 30, 2014. DUE OCTOBER 15, 2014.
2. **Second Quarter Report:** Covers activity from October 1, 2014 – December 31, 2014. DUE JANUARY 15, 2015.
3. **Third Quarter Report:** Covers activity from January 1, 2015 – March 31, 2015. DUE APRIL 15, 2015.
4. **Fourth Quarter Report:** Covers activity from April 1, 2015 – June 30, 2015. DUE JULY 16, 2015.
5. **Annual Report:** Covers activity from July 1, 2014- June 30, 2015. DUE JULY 16, 2016.

Penalties: In the event the Sub-grantee is late submitting the required reports by the due date the Grantee will apply the following penalties:

1. **First occurrence:** Grantee will notify the sub-grantee of the late report via telephone. Sub-grantee will have one (1) week from the date of the notification to submit the report.
2. **Second occurrence:** Grantee will notify sub-grantee of the late report with a formal letter. Sub-grantee will have one (1) week from the date of the letter to submit the report.
3. **Third occurrence:** Grantee will notify grantee of the late report and all future payments will be suspended until reports are submitted within one (1) week from the date of the letter.

PROCUREMENT:

The Sub-grantee shall comply with Federal Procurement regulations or their own organizational procurement guidelines, whichever is the stricter, concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.



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A brief summary of Federal guidelines for procurement are contained in Attachment 2 of this Agreement. Attachment 2 does not supersede the information contained in the complete Federal Procurement guidelines.

UNIFORM ADMINISTRATIVE REQUIREMENTS:

The Sub-grantee shall comply with applicable uniform administrative requirements as described in 24 CFR 570.502.

AUDITS, RECORDS INSPECTIONS & PERFORMANCE MONITORING:

All client data and records pertaining to the Sub-grantee's Homeless Outreach Program shall be made available to the authorized Staff, HUD Staff, and the Comptroller General of the United States, during normal business hours, when requested. Records requests can be made at any time from authorized Staff, HUD Staff, and the Comptroller General of the United States to audit, examine and/or make transcripts of relevant data.

Authorized staff will monitor the performance of the Sub-grantee's Homeless Outreach Program against the stated Program/Project goals, the City's Approved 2014-2015 Annual Action Plan, and 2014-2019 Five-Year Consolidated Plan City's Annual Action Plan, as well as to ensure compliance with the terms of this AGREEMENT.

AUDIT DEFICIENCY FINDINGS:

Any deficiencies or negative findings noted as a result of Audits and/or examinations conducted by authorized Staff, HUD Staff or the Comptroller General of the United States, shall be corrected within thirty (30) calendar days after receipt of the Audit Report by the Sub-grantee.

Failure of the Sub-grantee to correct any all Audit deficiencies and/or negative findings constitutes a violation of this AGREEMENT, and may result in withholding of future payments or cancellation of the AGREEMENT.

RECORDS RETENTION:

The Sub-grantee shall retain all financial records, statistical client data, supporting documents and any other records pertinent to the Sub-grantee's Program/Project services outlined in this AGREEMENT, for a period of four (4) years beyond the performance period of this Agreement, or beyond the date the Program/Project was officially closed out, unless litigation, claims, audits, negotiations or other actions involving any records dictate a longer period.



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ENVIRONMENTAL COMPLIANCE:

The Grantee will assume environmental responsibilities, including creation of the Environmental Review Record to ensure compliance with the National Environmental Policy Act (NEPA), CEQ regulations (40 CFR parts 1500-1508) and the California Environmental Quality Act (CEQA), when applicable.

HATCH ACT COMPLIANCE:

The Sub-grantee agrees and certifies that no grant funds provided, nor personnel employed under this AGREEMENT shall in any way or to any extent engage in the conduct of political activities in violation of Chapter 15 of Title V of the United States Code.

CONFLICTS OF INTEREST:

The Sub-grantee certifies that no person has been employed to solicit or secure this AGREEMENT for a commission percentage, brokerage or contingency fee. Breach of this stipulation shall give the City the right to terminate this AGREEMENT or deduct from the sub-grantees payments the Agreement of such commission percentage, brokerage or contingency fee. Further, the Sub-grantee agrees to abide by the provisions of 24 CFR 84.42 and 24 CFR 570.611, as may be amended, concerning conduct of all officers employees and agents.

COMPLIANCE WITH STATUTES AND FEDERAL REGULATIONS:

Sub-grantee certifies that they will remain in compliance at all times with ordinances, resolutions, policies, and regulations of the City of Perris Municipal Code, as well as all CDBG regulations under 24 CFR 570, and other federal requirements and Circulars pertaining to CDBG funding, including regulations and ordinances pertaining to antidiscrimination, affirmative action equal employment opportunity, procurement, reversion of assets, real property, non-expendable property, accounting, program income, lobbying, religious activities, fees for use of facilities, political activities, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, accessibility for persons with disabilities, and other non-discrimination activities identified under 24 CFR 570.601-602 and 24 CFR 570.607.

REVERSION OF ASSETS:

Upon expiration of the AGREEMENT, the Sub-grantee shall transfer to the Grantee any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds. Further any real property under the Sub-grantee's control that was acquired in whole or in part with CDBG funds (including CDBG funds in the form of a loan), in excess of \$25,000.00 is either:



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1. Used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208, until five (5) years after expiration of the AGREEMENT, or for such longer period of time as the Grantee deems appropriate; or
2. If it is not used to meet one of the CDBG National Objectives, as cited above, the Sub-grantee shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of or improvement to real property. Such payment constitutes Program Income to the Grantee.

SUSPENSION OR TERMINATION OF AGREEMENT:

This AGREEMENT may be terminated by the City or Sub-grantee at any time upon thirty (30) days written notice given by one party to the other, or immediately by the City for cause including failure to comply with the any rules, regulations or provisions referenced and/or contained herein. No further reimbursement payments will be made to the Sub-grantee after the effective date of termination. In accordance with 24 CFR 84.43, the Grantee may suspend or terminate this AGREEMENT if the Sub-grantee materially fails to comply with any conditions of this AGREEMENT, and if the Grantee desires to terminate for convenience in accordance with 24 CFR 84.44.

SEVERABILITY:

Any provision determined to be invalid within this AGREEMENT by the Grantee or Sub-grantee shall not affect the remainder of the AGREEMENT, and all other provisions of this AGREEMENT shall remain in full force.

[SIGNATURES ON FOLLOWING PAGE]



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Executed this ____ day of July, 2014

FOR THE CITY OF PERRIS

SIGNATURE: _____

BY: Richard Belmudez, City Manager

APPROVED AS TO FORM

SIGNATURE: _____

BY: Eric, Dunn, City Attorney

FOR RIVERSIDE COUNTY REGIONAL PARK AND OPEN- SPACE DISTRICT

SIGNATURE: _____

BY: Kevin Jeffries, Chairman
Board of Directors

ATTEST

SIGNATURE: _____

BY: Nancy Salzar, City Clerk

FORM APPROVED COUNTY COUNSEL
BY: NEAL R. KIPNIS DATE 7/23/14

SUMMARY OF O.M.B. CIRCULAR A-122

Cost Principles for Non-Profit Organizations

- A. Basic Considerations - To be allowable, costs must meet the following general criteria:**
1. Costs must be reasonable:
 - a. Recognized as ordinary and necessary.
 - b. Arm's length transactions.
 - c. Individuals concerned acted with prudence.
 - d. Not deviating from established practices of the organization.
 2. Costs must be allocated to the grant, project, etc. in accordance with benefits received:
 - a. Incurred specifically for the award.
 - b. Benefits both award and other work and can be reasonably distributed in proportion to benefits received.
 - c. Necessary to overall operation - if no direct relationship to award can be shown.
- B. Direct Costs**
1. Can be identified specifically with a particular grant, award, project, etc.
 2. Direct costs of minor amounts may be treated as indirect.
 3. Unallowable costs may be treated as direct costs for computation of overhead rates.
- C. Indirect Costs**
- Costs that have been incurred for common objectives but cannot be readily identified with a particular grant, award project, etc. *Only applicable with a HUD certified cost allocation plan.*
- D. Allocation of Indirect Costs**
1. Simplified Method
 - a. Used when major functions benefit from indirect costs to approximately the same degree.
 - b. Distribution base may be total direct costs, direct salaries or other equitable distribution base.
 2. Multiple allocation base method:
 - a. Used when major functions benefit in varying degrees from indirect costs.
 - b. Costs separated into distinct groupings. Each grouping then allocated to benefiting functions by means of base which best measures relative results.
- E. Selected Items of Cost**
1. Advertising - only advertising costs allowable are those associated with:
 - a. Recruitment of personnel.
 - b. Procurement of goods.
 - c. Disposal of surplus materials.
 2. Alcoholic Beverages, unallowable.
 3. Bad debts - unallowable.

ATTACHMENT 1

16. Interest, fund raising, and investment management costs - unallowable.
17. Labor relations costs - allowable
18. Losses on other awards - unallowable
19. Maintenance and repair costs - allowable
20. Materials and supplies - allowable
21. Meetings, conferences - allowable provided they do not involve entertainment costs
22. Membership, subscriptions and professional activity costs- allowable
23. Organization costs (incorporation fees, attorneys, accountants etc. in connection with establishment or reorganization of organization) – allowable
24. Overtime, premium pay - allowable as direct costs with prior approval.
25. Page charges in professional journals - (e-mail publications) - allowable
26. Participant support costs - allowable as direct costs with prior approval
27. Patent costs - allowable only if required by award.
28. Pre-award costs - allowable **only** with written approval.
29. Professional Service costs - allowable when reasonable in relation to services and not contingent upon recovery from government. In determining allowability, certain factors are relevant:
 - a. Nature and scope of service in relation to service required.
 - b. Necessity of contracting for service vs. Organization's own capability.
 - c. Past patterns of costs.
 - d. Impact of government awards.
 - e. If proportion of government work to total organization work, justify incurring cost.
 - f. Can service be performed more economically by hiring employee.
 - g. Qualifications of individual performing service.
 - h. Adequacy of contractual agreement.
 - i. Retainer fees must be supported by evidence of services available.
31. Profits and losses on sale or retirement of depreciable property:
 - a. Allowable - charge or credit must be included in cost grouping where depreciation was applicable.
32. Public information service costs - (pamphlets, new releases and other forms of disseminating information):
 - a. Allowable as direct costs with prior approval.
 - b. Allowable as indirect costs.
33. Publication and printing costs:
 - a. Allowable as direct costs with prior approval.
 - b. Allowable as indirect costs.
34. Rearrangement and alteration costs - allowable with prior approval.
35. Reconversion costs - (restoration or rehabilitation cost) - allowable with prior approval.
36. Recruiting costs - allowable.
37. Relocation costs - (employee relocation) allowable within certain limitations.
38. Rental costs - allowable within certain limitations.
39. Royalties and other costs for user of patents and copyrights - allowable.
40. Severance Pay - allowable to the extent required by:
 - a. Law
 - b. Employer-employee agreement
 - c. Established policy
 - d. Circumstances of particular employment
41. Specialized service facilities - allowable within certain limitations.

ATTACHMENT 2

Procurement Comparison

This is a brief summary of the Federal Regulations regarding procurement standards. As always the Sub-grantee must use the stricter of guidelines between the Federal and your organization when it comes to procurement. For a complete review of the procedures of Federal procedures please refer its respective guidelines.

Federal

Competitive Bidding:

- *Advertising required in newspapers, trade journals, and/or bidders list
- *contracts cannot be extended or renewed without reopening the bid process
- *No disbarred or suspended contractors
- * No employee, officer or agent of the Sub-grantee shall participate in the selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

Small Purchase threshold \$100,000

- *for goods & services, supplies or other property that does not exceed the threshold in the aggregate.
- *must receive minimum of 3 written quotes from qualified sources.
- * If purchasing materials that will exceed threshold, must use the salad bid process.
- *If using for contracting services and will exceed the threshold, must use RFP under competitive proposals approach.

Sealed Bids (formal advertising) threshold \$100,000

- *for construction contracts or for goods costing more than the threshold.
- *Requires publicly solicited sealed bids Should be published once in a newspaper of general circulation.
- *All bids must be publicly opened
- *firm-fixed-price lump sum or unit price awarded to the responsible bidder whose bid is the lowest price
- * All bids may be rejected when sound documented reasons exist. Such documentation shall be made as part of the files.

Competitive Proposals threshold of \$100,000

- *used for professional services
- *must publish a written request for submission
- *Can use RFP or RFQ
- *must receive three (3) bids

Non-competitive Procedure

- * may only be used when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:
 - Item is available only from single source.
 - Public exigency or emergency for the requirement will not permit a delay resulting from competitive bid solicitation.
 - After solicitation of a number of sources, competition is determined inadequate.