

Cottonwood, Inc.
Policies and Procedures

SECTION: Administrative

POLICY NO: 04-004

SUBJECT: Federal Grant Procurement

EFFECTIVE DATE: September 2020

Policy:

All goods or services financed by Federal Grant Awards must be purchased in accordance with the requirements set forth in the Uniform Guidance for Federal Awards, as well as all Cottonwood, Inc. policies and the organization's Code of Ethical Conduct.

Procedures:

The Uniform Grant Guidance outlines five methods of procurement: micro-purchases, small purchases, sealed bids (formal advertising), competitive proposals, and noncompetitive proposals.

1. MICRO-PURCHASES (ACQUISITION OF SUPPLIES/SERVICES)

- Must be under the micro-purchase threshold of \$10,000
- Must distribute micro-purchases equitably among qualified suppliers to the maximum extent practicable
- May be awarded without soliciting competitive quotations if price is considered reasonable

2. SMALL PURCHASES (ACQUISITION OF PROPERTY/SERVICES)

- Must be under the simplified acquisition threshold of \$250,000
- Must obtain price or rate quotations from an adequate number of qualified sources (documentation required – even for phone calls, web searches, etc.)

3. SEALED BIDS (FORMAL ADVERTISING) (OVER \$250,000)

- Is the preferred method for procuring construction
- Must include a complete, adequate, and realistic specification or purchase description
- Must be solicited from an adequate number of known suppliers and publicly advertised
- Must result in a firm fixed price contract award in writing to the lowest responsive and responsible bidder
- Any or all bids may be rejected if there is a sound documented reason

4. COMPETITIVE PROPOSALS (OVER \$250,000)

- Used when sealed bids are not appropriate (architecture and engineering)
- Must be publicized and identify all evaluation factors and their relative importance
- Must be solicited from an adequate number of qualified sources
- Must be in line with a written method for conducting technical evaluations of the proposals received and for selecting recipients
- Must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered

5. NONCOMPETITIVE PROPOSALS

- Are only allowable when at least one of the following conditions applies
 - The item is available only from a single source.
 - The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
 - The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals.
 - After solicitation of a number of sources, competition is determined inadequate.