# Sample Procurement Checklist

**Directions**: This checklist must be utilized for all Federal procurement and is the responsibility of the Program Manager. It is provided here for reference by Subrecipients. All projects must follow Federal procurement rules, regardless of the timeline of the procurement. Procurement of small and micro purchases do not need to meet all of the requirements of a larger purchase (see the Procurement Policies and Procedures for definitions and details). This checklist provides guidance on Federal procurement regulations. It does not address all procurement issues the [SUBRECIPIENT] may experience.

Use of the checklist provides a tool to cover most requirements experienced within Federal procurement. Additional procurement requirements may be imposed by the State of Nebraska and applicable local governments. The Subrecipient is responsible for maintaining a project file and will need to upload all pertinent documentation to AmpliFund for DED review. 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.

| Prompt | **Response** |
| --- | --- |
| Project Title: |  |
| [SUBRECIPIENT] Project #: |  |
| Grant Name and Number: |  |
| Approved By: |  |
| Reviewed By: |  |

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|  | **Pre-Solicitation: Responsibility of the Subrecipient, or their Architect/Engineer, if applicable** |
|  | Independent Cost Estimate (must be completed before bids are opened) – [SUBRECIPIENT] 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 emails or written documentation concerning cost estimates should be retained in the procurement folder. (See next line and section below regarding A/E or professional services procurement). |
|  | A cost analysis and documentation are required for an 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, 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:  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?  Is the cost necessary?  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; and compare with the [SUBRECIPIENT’S] cost estimate prepared with the [SUBRECIPIENT’S] Fee Schedule. |
|  | Are there any potential conflicts of interest? A conflict of interest could arise if the employee, officer, or agent; any member of their immediate family; their 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. |
|  | Were prospective respondents allowed a reasonable amount of time to respond? Sealed bids are to be advertised for X consecutive weeks with the first advertisement being X days before the date of the opening of bids. |
|  | Does solicitation contain a clear and accurate description of the technical requirements for the material, product or services, and SOW? |
|  | Specifications and solicitation must not 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. |
|  | **For competitive negotiation (RFP or RFQ) such as for A/E or program administrator, contracts; are the below requirements contained in the solicitation?** |
|  | Were proposals solicited from an adequate number of qualified sources, and was the solicitation adequately publicized to achieve sufficient competition? Must solicit proposals from at least three qualified sources. |
|  | Does the RFP or RFQ contain a detailed list of tasks in the proposed SOW expected to be accomplished? |
|  | 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 [SUBRECIPIENT]. |
|  | Is this a solicitation for A/E professional services? A/E professional services must be solicited with an RFQ. The method where price is not used as a selection factor, can only be used in procurement of A/E professional services. |
|  | 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. |
|  | Document the [SUBRECIPIENT’s] efforts in hiring minority- and women-owned business enterprises in this solicitation. |
|  | 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. |
|  | **The below items are required by 2 CFR § 200.317-200.327 and must be included in solicitations with clauses included in the bid requirements.** |
|  | Davis Bacon labor requirements. Applicable for construction projects > $2,000. |
|  | Section 3 clause. The Section 3 program requires Grantees 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. |
|  | Nondiscrimination, affirmative action, and equal employment opportunity in employment. |
|  | Statement of Work. |
|  | Requirement of affirmative efforts to hire women business enterprises and minority business enterprises. |
|  | Debarment certification. |
|  | **Bid, RFP, or RFQ Documents** |
|  | Solicitation (Advertisement for Bids, RFPs, or RFQs). Include a copy of the newspaper advertisement in the file plus the solicitation included in the bid documents. |
|  | If a construction contract > $2,000, was a wage rate included in the bid documents? |
|  | Was the rate checked 10 days before bid date? Document this by printing the first page of the wage rate with the date checked on the bottom of the webpage. If no change was made, hand write on the page and place in the file. |
|  | 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. |
|  | List of proposed bidders and suppliers receiving copies of the bid documents if available. |
|  | Are there adequate number of responses documented? Three for small purchase and competitive negotiation (RFP or RFQ). |
|  | 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:   * Justify the price is fair and reasonable; * 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; * Obtain information from the marketplace; * Obtain a complete cost breakdown; * Perform a cost analysis of the proposed price; and * Document the rationale for the award decision and place in the procurement file. |
|  | Copy of all bid proposals included in the file. |
|  | Notes from Pre-Bid Conference(s) if held, included in the file. |
|  | Did the bid response include a 5% bid bond if for a construction or facilities improvement project? |
|  | Record of respondents rejected as not responsible or not responsive and rejection reasoning documented in the file. |
|  | 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). |
|  | Were there any disputes regarding the procurement? |
|  | Were the disputes handled, resolved, and disclosed? |
|  | Was a protest appropriately filed? |
|  | Did the [SUBRECIPIENT] disclose information regarding the protest to DED? |
|  | Were all protest requirements met by the [SUBRECIPIENT]? |
|  | Was the protest resolved within XX days after filing? |
|  | Documentation of reason for rejecting any and or all bids must be kept in the procurement file. |
|  | 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. |
|  | If the procurement was a competitive negotiation, were unsuccessful offerors notified in writing within ten working days of contract award with the protest and debriefing procedures sent with the notification. [SUBRECIPIENT’S] current procedure is to include an award of bid notice with the items for the [AUTHORIZED SIGNATORY] to sign. After the [AUTHORIZED SIGNATORY] signs the form, the respective departments are given the bid notice to be sent out the unsuccessful bidders.) |
|  | **Contract/Agreement Documents** |
|  | Has the contractor's debarment check been completed before recommendations are made to Committee to award the contract? This will be completed by accessing SAM website at https://www.sam.gov and searching records. The printed page from the SAM website with the date of the check must be included in the procurement file. |
|  | 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? |
|  | Is there a notice of contract award included in the file? |
|  | Award—does the award document (contract or agreement) contain the below required clauses? |
|  | 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? |
|  | Termination for cause and for convenience by the [SUBRECIPIENT]? (Contracts > $10,000) |
|  | Compliance with Executive Order 11246, Equal Employment Opportunity? (All construction contracts and subcontracts > $10,000) |
|  | Compliance with Copeland Anti-Kick-Back Act? (All construction contracts and subcontracts > $10,000) |
|  | Compliance with the Davis-Bacon Act? (All construction or repair contracts or subcontracts > $2,000). |
|  | Was the correct wage rate included in the agreement documents? |
|  | 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) |
|  | Notice of the awarding agency requirements and regulations pertaining to reporting. (All contracts). |
|  | Notice of the [SUBRECIPIENT] and awarding agencies requirements and regulations pertaining to patent rights, copyrights, and rights in data? (All contracts). |
|  | Access to any books, documents, papers, or records of the project by the [SUBRECIPIENT], Federal agencies, and the Comptroller General of the United States? |
|  | Records must be maintained for five years after the [SUBRECIPIENT] formally closes out each program? Records Management Schedule found on the [SUBRECIPIENT’S] Web site. |
|  | Recognition of mandatory standards and policies relating to energy efficiency contained in the State Energy Conservation Plan? |
|  | Does the contract contain a clause allowing the [SUBRECIPIENT] 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? |
|  | 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? |
|  | 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. |
|  | 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 local governing body? Include the minutes from the local governing body meeting. |
|  | Prohibited contracts. Agreements or contracts must not contain “cost plus percentage of cost" and "percentage of construction costs" pricing structures. |
|  | Contractor Section 3 Plan with applicable tables must be included in the procurement file for HUD funded projects. 24 CFR 1 § 35. |
|  | 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. |
|  | Subcontractors must 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. |
|  | Performance bond for 100% of the contract if required, must be included in the file. |
|  | Payment bond for 100% of the contract if required, must be included in the file. |
|  | Insurance certificates in the amount required in the bid documents must be included in the file. |
|  | **Contract/Agreement Execution** |
|  | Is the contract/agreement signed and dated by both parties? The contract/agreement must be signed after the local governing body’s approval. Documentation of the local governing body’s approval must be kept in the file. |
|  | Is the proper date placed on the contractual document after the [AUTHORIZED SIGNATORY] signs it? |
|  | Is the proper date contained within the actual contractual document, if the document contains this language? |
|  | **Change Orders, Amendments, or Modifications to Agreements** |
|  | Is there a copy of each approved change order placed in the procurement file? |
|  | Change orders are normally not approved by the local governing body or signed by the [AUTHORIZED SIGNATORY]. At times amendments and modifications are sent to the local governing body for approval and to the [AUTHORIZED SIGNATORY] for signature. If this is the case, the local governing body must approve before the [AUTHORIZED SIGNATORY] signs the documents. Include the local governing body meeting minutes to document approval before signature. |
|  | Is the proper date placed on the change order, amendment, or modification after it is signed by the [AUTHORIZED SIGNATORY]? |
|  | Is the proper date contained within the actual change order, amendment, or modification documents, if the document contains this language? |
|  | 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. |
|  | Cost analyses for change orders must be completed and placed in the procurement file. To complete a cost analysis:   * Obtain a detailed breakdown of the contractor's proposed cost; * Verify the accuracy of the cost and pricing information submitted; * Evaluate the reasonableness of proposed costs by ensuring they meet these 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?   + Are the costs necessary and justifiable to the CDBG-DR activity (should be evaluated by the engineers or other technical personnel)? * Compare costs with:   + Actual costs previously incurred by the same contractor for the same or similar work;   + Actual costs of previous of the same or similar work by other contractors;   + Previous cost estimates from the offeror or other offerors for same or similar items;   + Do the costs reflect the technical approach proposed and the work required?   + 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. |
|  | **Miscellaneous Correspondence—list below** |
|  | Insert specific requirements as necessary. |
|  | **Project Completion** |
|  | Local governing body approval of final billing and closure of the project including memo to committee. |
|  | Contractor final lien waivers. [SUBRECIPIENT] requirement. |
|  | Subcontractor final lien waivers. [SUBRECIPIENT] requirement. |