



**COMMUNITY
FOUNDATION**
of Northern Nevada

Federal Procurement Policy Guide

SEPTEMBER 2024

Contents

- 1. INTRODUCTION AND PURPOSE4**
 - A. Treasury Rule.....4
 - B. Uniform Guidance4
- 2. CODE OF CONDUCT5**
 - A. Conflicts of Interest.5
 - B. Civil Rights Compliance5
- 3. PROCUREMENT REQUIREMENTS AND CONSIDERATIONS6**
 - A. Competition.6
 - B. Profit.6
 - C. Minority Owned, Women Owned, and Small Business Vendors.....7
 - D. Minimum Bonding Requirements.....7
 - E. Solicitations7
 - F. Considerations8
 - G. Cost Principles8
 - H. Contract Provisions9
- 4. PROCUREMENT METHODS.....9**
 - A. Selection of Method.9
 - B. Small Purchase Methods:10
 - C. Sealed Bids:10
 - D. Competitive Proposals:.....13
 - E. Request for Proposals:13
 - F. Architect/Engineer Services. (Qualifications-Based Selection, QBS):14
 - G. Noncompetitive Proposals:15
 - H. Other Considerations.....15
- 5. INDEPENDENT COST ESTIMATE; COST AND PRICE ANALYSIS16**
 - A. Small Purchases:.....16
 - B. Independent Cost Estimate:16
 - C. Cost and Price Analysis, General:16
 - D. Submission of Cost or Pricing Information:16
 - E. Cost Analysis:16
 - F. Acceptable Costs/Profit:17
 - G. Price Analysis:17

6. PROCUREMENT OF RECOVERED MATERIALS17
 A. Disposal of Materials.17

7. PROCUREMENT PROCEDURES17

8. CLOSEOUT18
 A. Prime Award Closeout.18

9. RECORDS AND REPORTING18
 A. Procurement Records.....18
 B. Financial Records.....18
 C. Single Audit Requirements.18
 D. Reporting.19

10. COMPLIANCE WITH THIS POLICY21

1. INTRODUCTION AND PURPOSE

In keeping with its commitment to maintain the highest standards of conduct and ethics, Community Foundation of Northern Nevada (“CFNN”) has adopted this Procurement Policy:

- For the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with program objectives and terms and conditions of the award.
- To simplify, clarify, and update the procedures governing federal procurement by this organization;
- To ensure that goods and services purchased by CFNN with federal funds are obtained in a cost-effective manner and in compliance with applicable federal and state laws;
- To provide safeguards for the maintenance of a procurement system of quality, integrity, and efficiency,
- To obtain in a cost-effective and responsible manner the materials, services and construction required by the organization in order to better serve the community, and
- To ensure that federal funds are spent in a way that is reasonable, necessary, allocable, in conformance, consistent and documented.

The acquisition processes described in this Policy apply to all purchases made with federal funds by CFNN’s Purchasing Department and CFNN programs independent of the Purchasing Department by employees, directors, officers, or agents (collectively “CFNN Purchasers”).

This policy is informed by the following federal requirements:

A. Treasury Rule

United States Department of the Treasury (Treasury)’s [Final Rule](#) and [Compliance and Reporting Guidance](#) details recipients’ compliance responsibilities and provides additional information on eligible and restricted uses of Fiscal Recovery Funds and reporting requirements.

Recipients are required to comply with all future guidance from the Treasury.

B. Uniform Guidance

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, [2 CFR Part 200](#) (Uniform Guidance).

The Fiscal Recovery Funds are generally subject to the requirements set forth in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, [2 CFR Part 200](#) (Uniform Guidance).

All federally funded projects, loans, grants, and sub-grants, whether funded in part or wholly, are subject to the Uniform Administrative Requirements, Cost Principles,

and Audit Requirements for federal awards (Uniform Guidance) codified at 2 C.F.R. Part 200 unless otherwise directed in writing by the federal agency or state pass-through agency that awarded the funds.

And is in accordance with local and tribal codes and regulations and the state of Nevada requirements:

NRS 332 (Purchasing: State)

NRS 333 (Purchasing: Local Governments)

Policy NOT All-Inclusive. While this Procurement Policy is intended as the primary reference for all CFNN's federally- funded procurement matters, no document can be all-inclusive. Where situations arise that, in the reasonable judgment of CFNN, have not been addressed in this Procurement Policy Guide, CFNN should contact its legal counsel or awarding agency for further guidance.

Approval and Modification. The procedures contained in the Procurement Policy are administrative and may be changed as necessary at the CFNN staff level to comply with state and federal law, but must be approved by the CFNN board of directors.

2. CODE OF CONDUCT

A. Conflicts of Interest

CFNN Purchasers shall not participate in the selection, award, or administration of a contract if they have a real or apparent conflict of interest. Such a conflict arises when:

- i. The CFNN Purchaser; any immediate family member (spouse, child, parent, parent-in-law, sibling, or sibling-in-law); partner; or an organization that employs, or is about to employ, any of the above has a direct or indirect financial or other interest in or will receive a tangible personal benefit from a firm or individual considered for the contract award.
- ii. An "organizational conflict of interest" is created because of a relationship CFNN has with a parent, affiliate, or subsidiary organization that is involved in the transaction such that CFNN is or appears to be unable to be impartial in conducting a procurement action involving the related organization.
- iii. CFNN Purchasers shall not solicit or accept gifts, money, gratuities, favors, or anything of monetary value, except unsolicited items or services of nominal value from vendors, prospective vendors, parties to subcontracts, or any other person or entity that receives, or may receive, compensation for providing goods or performing services for CFNN. All CFNN Purchasers shall review and comply with the CFNN's procedures for disclosing, reviewing and addressing actual and potential conflicts of interest.

B. Civil Rights Compliance

- i. CFNN does not deny benefits or services, or otherwise discriminate on the

basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93- 516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23.

3. PROCUREMENT REQUIREMENTS AND CONSIDERATIONS

A. Competition

All procurements shall be conducted in a manner that provides, to the maximum extent practical, full and open competition. Procurements shall:

- i. Avoid noncompetitive practices that may restrict or eliminate competition, including but not limited to:
 - a. Unreasonable qualification requirements.
 - b. Unnecessary experience and excessive bonding requirements.
 - c. Noncompetitive pricing practices between firms or affiliated companies.
 - d. Noncompetitive contracts to consultants on retainer contracts.
 - e. Organizational conflicts of interest.
 - f. Specifying "brand name" only instead of allowing "an equal to" product.
 - g. Arbitrary actions.
- ii. Not intentionally split a single purchase into two or more separate purchases to avoid dollar thresholds that require more formal procurement methods.
- iii. Exclude contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for a proposal from competing for such procurement.
- iv. Include in any prequalified list an adequate number of current, qualified vendors, firms, or products.
- v. Not preclude potential bidders from qualifying during the solicitation period.
- vi. Not use any geographic preferences (state, local or tribal) in the evaluation of bids or proposals, except where expressly mandated or encouraged by applicable Federal statutes.

B. Profit

For sole source procurements or when cost analysis is used, profit must be negotiated as a separate element of the procurement price.

- i. To establish a fair and reasonable profit, consider: complexity of work performed, risk borne by contractor, contractor's investment, amount of

- subcontracting, quality of contractor's record and past performance, and industry profit rates in surrounding geographical area for similar work.
- ii. CFNN will not use either the cost plus a percentage of cost, or percentage of construction cost methods of contracting.

C. Minority Owned, Women Owned, and Small Business Vendors

CFNN is committed to taking all necessary affirmative steps to assure that minority business, women's business enterprises and labor surplus area firms ("MWSB Vendors") are used whenever possible. Such steps include:

- i. Placing qualified MWSB Vendors on solicitation lists;
- ii. Soliciting MWSB Vendors whenever they are potential sources;
- iii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by MWSB Vendors;
- iv. Establishing delivery schedules, where requirement permits, which encourage participation by MWSB 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.

D. Minimum Bonding Requirements

For construction or facility improvement contracts or subcontracts exceeding \$250,000, the requirements for bonding shall, at a minimum, be as follows:

- i. A bid guarantee from each bidder is equivalent to five percent of the bid price.
- ii. A performance bond on the part of the contractor is for 100% of the contract price.
- iii. A payment bond on the part of the contractor is for 100% of the contract price.
- iv. All bonds required in this section are obtained from companies holding certificates of authority as acceptable sureties pursuant to the surety requirements for companies doing business with the United States (31 CFR Part 223).

E. Solicitations

All solicitations shall incorporate a clear and accurate description of the technical requirements for products or services to be procured. Descriptions:

- i. Must not contain features which unduly restrict competition.
- ii. May include a statement of the qualitative nature of the material, product or service to be procured.
- iii. When necessary, must set forth minimum essential characteristics and standards necessary to satisfy its intended use.
- iv. Must avoid detailed product specifications if at all possible.

- v. May use a “brand name or equivalent” description to define performance or other salient requirements when impractical or uneconomical to make a clear and accurate description of technical requirements. Specific named brand features required to be met must be clearly stated.
- vi. Must identify all requirements which offerors must fulfill and all other factors to be used in evaluating bids and proposals.

F. Considerations

CFNN Purchasers should consider taking the following actions when procuring goods and services:

- i. Conduct a lease vs. purchase analysis, when appropriate, including for property and large equipment.
- ii. Consolidate or break out procurements to obtain a more economical purchase, if possible.
- iii. Use state and local intergovernmental or inter-entity agreements, or common or shared goods and services, where appropriate.
- iv. Use federal excess and surplus property in lieu of purchasing new equipment and property, if feasible and reduces project costs.
- v. Use value engineering clauses to offer reasonable opportunities for cost reductions in construction contracts for projects of sufficient size.
- vi. Use time and materials contracts only if no other contract is suitable and the contract includes a ceiling price that the contractor exceeds at their own risk. If such contract is negotiated and awarded, CFNN must assert a high degree of oversight to obtain reasonable assurance that contractor using efficient methods and effective cost controls.
- vii. All CFNN procurement contracts shall contain the applicable contract provisions contained in Appendix I to 2 CFR Part 200 – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards.
- viii. All bid solicitations must acknowledge the use of federal funding for the contract. In addition, all prospective bidders or offerors must acknowledge that funding is contingent upon compliance with all terms and conditions of the funding award.

G. Cost Principles

- i. **Cost Sharing.** Federal funds may not be used for a non-Federal cost share or match where prohibited by other Federal programs. There are no matching, level of effort, or earmarking compliance responsibilities associated with the Fiscal Recovery Funds.
- ii. **Administering Funds.** CCFN Purchasers may use funds for administering federal funds, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements. Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405.
- iii. **Direct vs. Indirect.** Pursuant to the Fiscal Recovery Funds Award Terms and Conditions, Purchasers are permitted to charge both direct and indirect costs to their Fiscal Recovery Funds award as administrative costs.
- iv. **Salaries and Expenses.** In general, certain employees’ wages, salaries, and covered benefits are an eligible use of Fiscal Recovery Funds. Please see

Treasury's Final Rule for details.

- v. **Cash Management.** Fiscal Recovery Funds payments are not subject to the requirements of the Cash Management Improvement Act and Treasury's implementing regulations at 31 CFR part 205 or 2 CFR 200.305(b)(8)-(9). As such, CFNN can place funds in interest-bearing accounts, does not need to remit interest to Treasury, and is not limited to using that interest for eligible uses under the Fiscal Recovery Funds award.
- vi. **Eligibility.** CFNN Purchasers will maintain procedures for obtaining information evidencing a given beneficiary, subrecipient, or contractor's eligibility including a valid SAM.gov registration.
- vii. **Equipment and Real Property Management.** Any purchase of equipment or real property with Fiscal Recovery Funds will be consistent with the Uniform Guidance at 2 CFR Part 200, Subpart D.
- viii. **Matching, Level of Effort, Earmarking.** Fiscal Recovery Funds will only be used for non-Federal match in other programs where costs are eligible under both Fiscal Recovery Funds and the other program and use of such funds is not prohibited by the other program.
- ix. **Period of Performance.** CFNN will develop and implement internal controls related to activities occurring outside the period of performance.
- x. **Suspension and Debarment.** CFNN will maintain written standards of conduct and prohibitions on dealing with suspended or debarred parties.
- xi. **Program Income.** Program income does not include interest earned on advances of Federal funds, rebates, credits, discounts, or interest on rebates, credits, or discounts. CFNN will calculate, document, and record the organization's program income. CFNN will maintain written policies that explicitly identify appropriate allocation methods, accounting standards and principles, compliance monitoring checks for program income calculations, and records.

H. Contract Provisions

In addition to the contract provisions stated within, procurement contracts with federal funds are subject to additional contract provisions. CFNN leverages the template provided by FEMA Procurement Disaster Assistance Team (PDAT). See Appendix 7 for details.

4. PROCUREMENT METHODS

A. Selection of Method

If it has been decided that CFNN will directly purchase the required items, CFNN Purchasers will use one of the following procurement methods, based on the nature and anticipated dollar value of the total requirement.

- i. Purchases greater than \$250,000.00: All purchases and contracts with a value that exceeds \$250,000.00 shall only be completed pursuant to one of the following methods:
 - a. Sealed Bid (IFB);
 - b. Competitive Proposal (RFQ/RFP/QBS);

- c. Justified Single or Sole Source (only with written permission from the awarding agency).
- ii. Purchases equal to or less than \$250,000.00: All purchases and contracts with a value of \$250,000.00 or less may be completed using the appropriate Small Purchase method as explained in Section B below.

B. Small Purchase Methods:

- i. General: Any contract not equal to or less than \$250,000.00 may be made in accordance with the small purchase procedures authorized in this Section. Contract requirements shall not be artificially divided so as to constitute a small purchase under this Section. However, larger requirements may be broken into smaller ones to afford small and minority businesses the opportunity to participate in CFNN's procurements. The CFNN Purchasers should document in the contract file the reasons for breaking down larger requirements into smaller ones.
- ii. Small Purchases of \$100 or less: Small purchases of \$100 or less ("Petty Cash Small Purchases"), which can be satisfied by local sources, may be processed through the use of a petty cash account.
- iii. Small Purchases of \$10,000.00 or Less: For small purchases of \$10,000.00 or less ("Micro Purchases"), the CFNN Purchaser must only solicit one quotation if the solicited price is considered reasonable. Micro Purchases should be distributed equitably among qualified sources. If practicable, a quotation shall be solicited from a qualified source other than the previous source before placing a repeat order. Nothing herein prevents CFNN from conducting a competitive process for Micro Purchases. The CFNN Purchaser shall follow the Procurement Policy with respect to Micro Purchases. Quotes may be solicited orally, through fax, or by any other reasonable method.
- iv. Small Purchases between \$10,001.00 to less or equal to \$250,000.00: The CFNN Purchaser shall make procurements for small purchases in excess of \$10,000.00 but less than or equal to \$250,000.00, by following the procedures set forth in the Procurement Policy in accordance with Nevada state law. See Appendix 1 for details. CFNN's policy is to award contracts to the offeror whose offer satisfies CFNN's best interests.
- v. State Regulations on small purchases: All purchases greater than \$10,001.00 are subject to competitive procurement, and purchases over \$50,000 must follow a formal solicitation format. The federal guidelines for RFP procurement satisfy these formal solicitation requirements. See Section B for details.

C. Sealed Bids:

This section applies to procurements greater than \$250,000.00 which are made using sealed bidding.

- i. Conditions for Use: Sealed bidding is the preferred method for construction

procurement and shall be used for all competitive procurements to obtain construction and equipment contracts exceeding the Small Purchase limitation and for procurements under any construction related federal grant. Additionally, sealed bidding should not be used for professional service contracts. For contracts to be awarded based on sealed bidding the following conditions should be present:

- a. A complete, adequate, and realistic specification or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the work;
 - b. The procurement lends itself to a firm fixed price contract; and
 - c. The selection of the successful bidder can be made principally on the basis of price
- ii. Invitation For Bids (“IFB”): The IFB is the entire package of information necessary for potential bidders to submit a bid. The IFB includes a description of the supplies or services being purchased, any unique technical information, time and place of bid opening, time and place of site inspections or pre-bid conferences, a form for stating the bid price, and any required forms, as outlined below. IFB Package. All IFBs must be in writing. The basic documents to be included in an IFB package are:
- a. Cover Page with Table of Contents. States the name, address and phone number of the Purchaser, a person to contact for information regarding the solicitation, the project name and solicitation number, and a table of contents for the complete solicitation package.
 - b. Bid Form. This is the form on which bidders enter their bid or price(s). The form must be clear, accurate, and unambiguous.
 - c. Specification and Statement of Work. Description of the work or items required.
- iii. Rejection of Bids: CFNN may reject any bid when it is in CFNN’s best interest. Rejection of any bid during the evaluation process shall be made in accordance with the procedures detailed in the Procurement Policy. Additionally, CFNN may reject any bid based on that contractor’s past performance (i.e., contract performance and/or quality of work), as long as CFNN has adequate and appropriate documentation within the files justifying such action.
- iv. Solicitation: CFNN will issue a written IFB to solicit bids for procurements made by sealed bidding. The CFNN Purchaser shall follow the IFB solicitation procedures detailed in the Procurement Policy when issuing IFBs and amendments thereto. While any of the following methods can be employed, the Purchaser should choose the method, which, considering matters of economy, provides for full and open competition.
- a. Advertising in newspapers or other print mediums of local or general circulations.
 - b. Advertising in various trade journals or publications.
 - c. E-Procurement. Purchasers may conduct their public procurements through the internet using e-procurement systems. However, all e-procurements must otherwise be in compliance with 24 CFR 85.36, State and local requirements. Steps must be taken to meet the requirements for full and open competition to avoid potential protests.
- v. Time Period for Solicitation. The solicitation must be run for a period sufficient to achieve effective competition, which, in the case of paid advertisements, should

- generally be run not less than once each week for two consecutive weeks. A minimum of 30 days shall generally be provided for preparation and submission of sealed bids and 15 days for competitive proposals. However, the Program Director may allow for a shorter period under extraordinary circumstances.
- vi. IFB Amendments: CFNN can amend an IFB at any time when CFNN, in its discretion, deems the amendment necessary. The CFNN Purchaser will comply with the IFB amendment procedures detailed in the Procurement Policy when amending an IFB.
 - vii. IFB Cancellation: CFNN may at its sole discretion cancel any IFB at any time when CFNN has determined the cancellation necessary or in CFNN's best interest. CFNN will comply with the IFB cancellation procedures detailed in the Procurement Policy when canceling an IFB.
 - viii. Receipt of Bids: All bids received shall be time-stamped but not opened. CFNN shall store the time stamped, unopened bids in a secure place until bid opening. A bidder may withdraw its bid at any time prior to bid opening.
 - ix. Bid Opening: Bids shall be opened publicly and in the presence of at least one witness. An abstract of bids shall be recorded and the bids shall be available for public inspection to the extent required by federal, state, and local law.
 - x. Bid Opening (24 CFR 85.36(d)(2))
The bid opening process shall be carried out as follows:
 - a. Time and Place Certainty. Each bid must be dated and time-stamped immediately upon receipt by the Purchaser. Sealed bids should be stored in a locked bid box, cabinet, or safe to ensure that they are not opened or mishandled prior to the bid opening. A CFNN staff person should standby just before the deadline to see that bids received at the proper location are date- and time-stamped expeditiously. Sealed bids received after the time specified in the IFB should be recorded as a late bid and kept unopened in the contract file.
 - b. Public Bid Opening Process. To ensure fairness in the award process, anyone is permitted to attend the bid opening. Bids shall be publicly opened on the scheduled date and time shown in the solicitation. The bid opening official (usually the Purchaser) reads aloud the bidders' names and the bid prices. This information is recorded and may be made available for public inspection. No commitment or statement regarding contract award should be made to any bidder at the bid opening.
 - c. Recording the Bids. As bids are publicly opened and read aloud, an abstract (sometimes referred to as a tabulation) of all bids is prepared showing the name of each bidder and their bid prices including alternates, if any. This abstract becomes part of the official contract file. The abstract is public information and a copy may be sent to interested parties when requested.
 - xi. Contract Award: CFNN's policy is to award sealed bid contracts to the responsible bidder whose bid's dollar value is the lowest overall and whose bid is responsive to the IFB. The CFNN Purchaser shall follow the sealed bid contract award procedures detailed in the Procurement Policy. If only one responsive bid is received from a responsible bidder, award shall not be made unless a cost or price analysis verifies the reasonableness of the price.
 - xii. Mistakes in Bids:

- a. Before bid opening: The CFNN Purchaser may permit correction or withdrawal of inadvertently erroneous bids, where appropriate, by the bidder's written or telegraphic notice received in the office designated in the IFB prior to the time set for bid opening.
- b. After bid opening: The CFNN Purchaser may permit corrections in bids after bid opening only if the bidder can show by clear and convincing evidence that:
 - (i) a mistake of a non-judgmental character was made;
 - (ii) the nature of the mistake; and
 - (iii) the bid price actually intended.

A low bidder alleging a non-judgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made.

- c. All decisions to allow correction or withdrawal of bid mistakes shall be supported by a written determination signed by the Purchaser.
- d. After bid opening, no changes in bid prices or other provisions of bids shall be permitted, which are prejudicial to CFNN's interests or fair competition.
- e. Bonds: CFNN's policy is to ensure that bidders will honor their bids, complete work as contracted, and pay subcontracts and suppliers by requiring bidders to post a bond or multiple bonds, if necessary, as detailed in the Procurement Policy.

D. Competitive Proposals:

Conditions for Use: Competitive proposals (including turnkey proposals for development) are an acceptable alternative to sealed bidding for procurements that exceed the Small Purchase dollar amount when CFNN determines that any of the following conditions exist:

- i. The contract requirements cannot be described specifically enough to permit the use of sealed bidding or the work is not definite enough to accurately estimate the total cost of the contract;
- ii. The nature of the contract's requirements is such that CFNN needs to evaluate more than just price to be sure that the prospective contractor understands CFNN's needs and can successfully complete the contract, especially when contracting for professional services (e.g., legal, architect-engineer, accounting, etc.) where CFNN needs specific expertise and experience; or
- iii. The requested work lends itself to different approaches, e.g., proposals.
- iv. Solicitation: There are two types of competitive proposals: Request for Proposals ("RFP") and Qualifications-Based Selection ("QBS"). Generally, competitive proposals shall be solicited using an RFP; however, a QBS may be used to solicit Architect/Engineer ("A/E") Contracts or to select development partners for mixed- financed projects.

E. Request for Proposals:

- i. Solicitation: The CFNN Purchaser shall issue a written RFP, which shall clearly identify the relative importance of price and other evaluation factors and sub-

- factors, including the weight given to each technical factor and sub-factor. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals.
- II. Evaluation: The CFNN Purchaser shall establish a mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established before the solicitations issued. The proposals shall only be evaluated on the criteria stated in the RFP. Respondents may not impose conditions or change requirements to suit the respondent's own needs or desires; such an imposition or change no matter how minor may, in CFNN's sole discretion, result in CFNN rejecting the proposal.
 - III. Negotiations: Unless there is no need for negotiations with any of the offerors, negotiations shall be conducted with offerors who submit proposals determined to have a reasonable chance of being selected for award, based on evaluation against the technical and price factors as specified in the RFP. Such offerors shall be accorded fair and equal treatment with respect to any opportunity for negotiation and revision of proposals. The CFNN Purchaser's primary objective in negotiations is to maximize CFNN's ability to obtain best value, based on the requirements and the evaluation factors set forth in the solicitation. However, revealing one respondent's price in an attempt to get another respondent to reduce its price is prohibited. No offeror shall be provided information about any other offeror's proposal, and no offeror shall be assisted in bringing its proposal up to the level of any other proposal. Offerors shall not be directed to reduce their proposed prices to a specific amount in order to be considered for award. A common deadline shall be established for receipt of proposal revisions based on negotiations. The CFNN Purchaser will conduct all negotiations as detailed by the Procurement Policy.
 - IV. Award: After evaluation of the proposals, (or the final revised proposals if any), the contract shall be awarded to the responsible firm whose qualifications, price and other factors considered, are the most advantageous to CFNN (the top-rated responsive and responsible proposer). CFNN will provide timely notice of the award to all proposers as required by the Procurement Policy.

F. Architect/Engineer Services. (Qualifications-Based Selection, QBS):

Pursuant to NRS 625.530(3) and in line with federal regulations, all architect/engineer services shall be procured on the basis of the competence and qualifications of the architect/engineer and not on the basis of competitive fees. Under the QBS method, the proposer's qualifications are evaluated and the most qualified competitor is selected, subject to the negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. QBS procedures shall not be used to purchase other types of services (i.e., construction contracts) even though architect-engineer firms are potential sources. The CFNN Purchaser will follow the QBS procedures in the Procurement Policy when conducting a QBS procurement.

G. Noncompetitive Proposals:

- i. Conditions for Use: Procurements shall be conducted competitively to the maximum extent possible. Procurement by noncompetitive 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:
 - a. The item is available only from a single source, based on a good faith review of available sources;
 - b. An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to CFNN, as may arise by reason of a 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 meet the emergency;
 - c. The awarding agency authorizes the use of noncompetitive proposals; or
 - d. After solicitation of a number of sources, competition is determined inadequate
 - e. Emergencies: Emergencies as defined as anything that affects the immediate health or safety of the public, resident or an employee; and an emergency is further defined by HUD as a condition that poses an immediate threat to life, health, safety or property, or related to fire safety.
- ii. Justification: Each procurement based on noncompetitive proposals shall be supported by a written justification for using such procedures. The justification shall be approved in writing by the awarding agency.
- iii. Price Reasonableness: The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing a cost analysis, as described in Section 5 below.

H. Other Considerations

All procurements made under this policy shall:

- i. Be necessary, at a reasonable cost, documented, not prohibited by law or the applicable funding source, and made in accordance with this Policy.
- ii. Avoid acquiring unnecessary or duplicative items.
- iii. Engage responsible vendors who possess the ability to perform successfully under the terms and conditions of a proposed procurement. CFNN Purchasers shall consider: vendor integrity, public policy compliance, past performance record and financial and technical resources.

5. INDEPENDENT COST ESTIMATE; COST AND PRICE ANALYSIS

A. Small Purchases:

Before making an award of less than \$250,000.00 the CFNN Purchaser must determine that the proposed price is fair and reasonable. For most small purchases a price analysis made as directed by the Operational Procedures is sufficient to make that determination. In small purchases for services or items of a non-commercial nature, the CFNN Purchaser should determine whether a more detailed cost analysis as explained in this Section is needed.

B. Independent Cost Estimate:

The CFNN Purchaser will conduct an independent cost estimate ("ICE") for each procurement action above the small purchase threshold of \$250,000.00 pursuant to the procedures in the Procurement Policy. As a part of the Cost or Price Analysis the ICE shall be compared to the proposed costs to ensure that such costs are appropriate.

C. Cost and Price Analysis, General:

A cost or price analysis shall be performed for all procurement actions, including contract modifications. The CFNN Purchaser shall follow the procedures in the Procurement Policy when performing a cost and price analysis. CFNN's policy is that the degree of analysis required shall depend on the facts and complexity surrounding each procurement action.

D. Submission of Cost or Pricing Information:

If the procurement is based on noncompetitive proposals, or when only one offer is received, or for other procurements as deemed necessary by CFNN (e.g., when contracting for professional, consulting, or architect/engineer services) the offeror shall be required to submit:

- i. A cost breakdown showing projected costs and profit;
- ii. Commercial pricing and sales information, sufficient to enable CFNN to verify the reasonableness of the proposed price as a catalog or market price of a commercial product sold in substantial quantities to the general public; or
- iii. Documentation showing that the offered price is set by law or regulation.

E. Cost Analysis:

Cost analysis shall be performed if an offeror/contractor is required to submit a cost breakdown as part of its proposal. When a cost breakdown is submitted: A cost analysis shall be performed of the individual cost elements; CFNN shall have a right to audit the contractor's books and records pertinent to such costs; and profit shall be analyzed separately.

F. Acceptable Costs/Profit:

Costs shall be allowable only to the extent that they are consistent with applicable Federal cost principals (for commercial firms, Subpart 31.2 of the Federal Acquisition Regulation, 48 CFR Chapter 1). In establishing profit, CCFN shall consider factors such as the (a) complexity and risk of the work involved; (b) the contractor's investment and productivity; (c) the amount of sub-contracting, (d) the quality of past performance, and (e) industry profit rates in the area for similar work.

G. Price Analysis:

A comparison of prices shall be used in all cases other than those described in Paragraph D above.

6. PROCUREMENT OF RECOVERED MATERIALS

A. Disposal of Materials

CFNN will comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000, procuring solid waste management services in a manner that maximized energy and resource recovery; and established an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

The decision not to procure such items shall be based on a determination that such procurement items:

- i. Are not reasonably available within a reasonable period of time;
- ii. Fail to meet the performance standards set for the applicable specifications or fail to meet the reasonable performance standards of the procuring agencies; or
- iii. Are only available at an unreasonable price.

7. PROCUREMENT PROCEDURES

See Appendix I for CFNN Procurement Procedures.

8. CLOSEOUT

A. Prime Award Closeout

CFNN will perform prime award closeout, which requires two essential tasks. The first task is the fiscal reconciliation of all subawards and administering costs against state and federal records. The second task is the submission of programmatic data, which includes a formal written request to the awarding federal agency for closure of the prime award.

9. RECORDS AND REPORTING

A. Procurement Records

CFNN shall maintain records sufficient to detail history of each procurement transaction. These records must include, but are not limited to:

- i. A description and supporting documentation showing rationale for procurement method (e.g., cost estimates);
- ii. Selection of contract type;
- iii. Written price or rate quotations (such as catalog price, online price, email or written quote), if applicable;
- iv. Copies of advertisements, requests for proposals, bid sheets or bid proposal packets;
- v. Reasons for vendor selection or rejection, including Finance Committee and Board minutes, rejection letters and award letter; and
- vi. The basis for the contract price.⁴⁵

B. Financial Records

CFNN is required to maintain records and financial documents for five (5) years after all funds have been expended or returned to Treasury. Treasury may request transfer of records of long-term value at the end of such period. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

C. Single Audit Requirements

When expending more than \$750,000 in Federal awards during their fiscal year, CFNN will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements. Refer to the [Office of Management and Budget \(OMB\) Compliance Supplements for audits of federal funds and related guidance](#) and the [Federal Audit Clearinghouse](#) to see examples and single audit submissions.

D. Reporting

CFNN is required to submit project and expenditure reports related to the Fiscal Recovery Funds. Any organization receiving funding will be required to comply with all reporting requirements.

The following outlines the types of information that will be required [to be reported to Treasury](#) by the State of Nevada.

- i. **Project Information.** For each project, the project name, project expenditure category, description, and status of completion will be required to be reported. Project descriptions must describe the project in sufficient detail to provide understanding of the major activities that will occur and will be required to be between 50 and 250 words. Projects should be defined to include only closely related activities directed toward a common purpose. Note: For each project, CFNN will be asked to select the appropriate Expenditure Category based on the scope of the project. Projects should be scoped to align to a single Expenditure Category.
 - a. If a project spans more than one (1) Expenditure Category, each organization will be required to report on each Expenditure Category separately.
 - b. The State of Nevada will work with each organization for proper Expenditure Category classification.
- ii. **Expenditures.** CFNN will be required to report on the project's obligations and expenditures, including:
 - a. Current period obligation;
 - b. Cumulative obligation;
 - c. Current period expenditure; and
 - d. Cumulative expenditure.
- iii. **Project Status.** CFNN will be required to report on the project status each reporting period, in four (4) categories:
 - a. Not Started;
 - b. Completed less than 50 percent;
 - c. Completed 50% or more; or
 - d. Completed
- iv. **Project Demographic Distribution.** Recognizing the disproportionate impact of the pandemic-related recession on low-income communities, The State of Nevada must report whether certain types of projects are targeted to economically disadvantaged communities, as defined by the United States Department of Housing and Urban Development's [QCT](#).

CFNN will identify whether or not the project is serving an economically disadvantaged community. To minimize the administrative burden while ensuring that this important aspect of the program performance is tracked, CFNN may assume that the funds for a project count as being targeted towards economically disadvantaged communities if the project funds are

spent on:

- a. A program or service is provided at a physical location in a Qualified Census Tract (for multi-site projects if a majority of sites are within Qualified Census Tracts).
- b. A program or service where the primary intended beneficiaries live within a Qualified Census Tract.
- c. A program or service for which the eligibility criteria are such that the primary intended beneficiaries earn less than 60 percent of the median income for the relevant jurisdiction (e.g., State, county, metropolitan area, or another jurisdiction); or
- d. A program or service for which the eligibility criteria are such that over 25 percent of intended beneficiaries are below the federal poverty line.

CFNN may use reasonable estimates to determine if a project meets one (1) of these criteria, including identifying the intended beneficiaries of a program or service in terms of income characteristics, geographic location, or otherwise estimating the beneficiaries of a program based on its eligibility criteria. CFNN may not need to track information on each individual beneficiary to make the determination of whether or not the project is serving an economically disadvantaged community.

If CFNN is unable to measure the economic characteristics of the primary intended beneficiaries of a project due to data limitations or for other reasons, that project may not be counted as targeted to economically disadvantaged communities.

- ii. **Subawards.** The following has been reproduced from Treasury's [Compliance and Reporting Guidance](#). CFNN is required to comply with the following.

Each recipient shall also provide detailed obligation and expenditure information for any contracts and grants awarded, loans issued, transfers made to other government entities, and direct payments made by the recipient that are greater than or equal to \$50,000.

Recipients do not also need to submit separate monthly subaward reports to FSRs.gov as required pursuant to the 2 CFR Part 170, Appendix A award term regarding reporting subaward and executive compensation, which is included in the Fiscal Recovery Funds Award Terms and Conditions. Treasury will submit this reporting on behalf of recipients using the \$50,000 reporting threshold, timing, and data elements discussed in this guidance.

If recipients choose to continue reporting to FSRs.gov in addition to reporting directly to Treasury on these funds, they may do so and will be asked to notify Treasury as part of their quarterly submission.

In general, recipients will be asked to provide the following information for each Contract, Grant, Loan, Transfer, or Direct Payment greater than or equal to \$50,000:

- a. Subrecipient identifying and demographic information (e.g., SAM.gov unique entity ID and location);
- b. Award number (e.g., Award number, Contract number, Loan number);
- c. Award date, type, amount, and description;
- d. Award payment method (reimbursable or lump sum payment(s));
- e. For loans, expiration date (date when loan expected to be paid in full);
- f. Primary place of performance;
- g. Related project name(s);
- h. Related project identification number(s) (created by the recipient);
- i. Period of performance start date;
- j. Period of performance end date;
- k. Quarterly obligation amount;
- l. Quarterly expenditure amount;
- m. Project(s); and
- n. Additional programmatic performance indicators for select Expenditure Categories (see below).

10. COMPLIANCE WITH THIS POLICY

Program Directors and, where applicable, Purchasers, shall maintain oversight to ensure that contractors and vendors perform in accordance with the terms, conditions, and specifications of contracts or purchase orders. Violations of this policy may result in disciplinary action, up to and including termination.

Reviewed by Legal Counsel: January 19th 2023

Reviewed and Adopted by CFNN Board of Directors: March 1st 2023

**Appendix 1
Procurement Procedures by Threshold**

	Type	Threshold	Sub-Threshold	NRS 332 Requirements	Federal 2 CFR 200 Requirements
Informal	Micro purchase	≤ \$10,000			<ul style="list-style-type: none"> - Price must be reasonable - Periodically distribute purchases equitably among qualified vendors - May be awarded without soliciting competitive quotations if CFNN and local jurisdiction considers the price to be reasonable
	Small Purchase < SAT	\$10,001 – \$250,000	> \$50,000 - \$100,000 > \$100,000 - \$250,000	<ul style="list-style-type: none"> - Price or rate quotations must be obtained from 3 qualified sources and formal advertising is required unless deemed an "Emergency Contract." - When contract is over \$50,000 formal advertisement is required. 	<ul style="list-style-type: none"> - Price or rate quotations must be obtained from 3 qualified sources (FEMA determined the adequate number is 3) - Example documentation: catalog price, online price, email or written quote
Formal	Large Purchase > SAT	> \$250,000			<p>Competitive Proposal: Pre-Solicitation</p> <ul style="list-style-type: none"> - Conduct cost or price analysis - Refer to 2 CFR § 200.320 for guidance <p>Solicitation</p> <ul style="list-style-type: none"> - Publicly advertise RFP - Identify all evaluation factors and their relative importance - Two or more responsible bidders must be willing and able to compete - Use when conditions are not appropriate for the use of sealed bids <p>Proposal Review/Selection</p> <ul style="list-style-type: none"> - You may negotiate with the bidders who are deemed responsive, responsible, and within a competitive price range, based on your evaluation of the bidders' pricing and technical proposals. After negotiations, you may allow these bidders to submit a "best and final" offer. - Consider all proposals to maximum extent practical - Use written method to conduct technical evaluations of the proposals - Award contract to bidder with most advantageous proposal, considering price and other factors - Award fixed price or cost-

					reimbursement contract - Documentation should include records of the sources who bid, what they bid, and the process to select the awardee OR
					Sealed Bid: - Preferred for but not limited to construction contracts Pre-Solicitation - Conduct cost or price analysis Solicitation - Publicly advertise IFB in a formal advertisement - Include specifications or information sufficient for bidders to respond - Provide adequate time to respond - Solicit a sufficient number of bids, two or more responsible bidders must be willing and able to compete Bid Review/Selection - Open bids at time and place set forth in invite - Award to lowest responsive and responsible bidder - May reject bids for sound, documented reason - Award written, fixed price contract OR
					Noncompetitive Procurement Exemptions: This type of procurement may only be used when: (a) Full and open competition is infeasible because: (i) The item is only available from a single source; (ii) It is a case of public exigency or emergency; (iii) Authorization is provided by the awarding agency; or (iv) Competition is determined inadequate after solicitation of a number of sources; as well as (b) A Cost Analysis is performed to determine cost reasonableness For the acquisition of property or services, the aggregate dollar amount cannot exceed the micro-purchase threshold.