
King County Regional Homelessness Authority

Procurement of Goods and Services

POLICY

Applies to: All Staff

Approved Date: 6/9/2021

General

It is the policy of the King County Regional Homelessness Authority (“KCRHA” or “the Authority”) to conduct all procurement transactions in a manner that provides for full and open competition in compliance with all applicable regulations and requirements of federal, state, and local agencies.

It is the policy of the KCRHA that procurement practices will be in alignment with 2 CFR Part 200.218 through 200.326, which are the relevant sections of “The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (Uniform Guidance) issued by the United States Office of Management and Budget (OMB). This policy summarizes the Uniform Guidance regarding procurement. It is important that KCRHA staff who are responsible for oversight of procurement activities read [2 CFR Part 200.318 through 200.326](#) and any applicable requirements contained in KCRHA’s state, city or county funding agreements. In rare cases when using local funds, when required by the funding agency, or with funding agency approval, exceptions to these policies may be made with review by the Chief Financial Officer and approval from the Chief Executive Officer.

Definition of Procurement

Procurement refers to the process of purchasing goods and services intended to support the KCRHA’s internal operations, and the KCRHA’s allocation of pass-through funding (sub-awards) to sub-recipient agencies for the provision of homelessness services.

Procurement Standards

It is the responsibility of all KCRHA employees to ensure that funds are used properly and in accordance with Uniform Guidance. This includes the following:

- a. Requests for Proposals (RFPs) for housing and services to address homelessness and the resulting recommendations for the allocation of pass through funding (sub-awards) to sub-recipient agencies must be approved by the KCRHA Chief Executive Officer. A purchase request shall be filled out to provide a complete description of goods and services to be procured, estimate costs, potential financial sources, and signature by Authority staff with purchasing authority. When the RFP is approved, a budget code shall be signed on the approval line of the purchase request by the CFO.
- b. Ensure that all potential contractors or sub-recipients are not suspended, debarred or otherwise prohibited from receiving funds through verification of agency or company status on federal, state and local registries.
- c. Ensure that the KCRHA’s Code of Ethics and Conflict of Interest policy, which states that no employee, officer, or agent of the KCRHA may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest, is adhered to. (See 2 CFR [200.318](#))
- d. Ensure that procurement processes and procedures generally result in the most cost effective and efficient acquisition of goods and services. (See 2 CFR [200.318](#))
- e. Avoid purchasing unnecessary or duplicate items. (See 2 CFR [200.318](#))

- f. Take into consideration lease versus purchase. (See 2 CFR [200.318](#))
- g. Ensure that time and materials (T&M) contracts are only to be used after a determination that no other contract is suitable and when the contract includes a ceiling price that the contractor exceeds at his own risk. (See 2 CFR [200.318](#))
- h. Ensure that contracts are awarded only to responsible contractors (See 2 CFR [200.318](#)).
- i. Maintain records to detail the history of procurement in a procurement record. The procurement record should include data collection, the rationale for the method of procurement used, selection of contract type, contractor selection or rejection, and the basis for the contract price (See 2 CFR [200.318](#)).
- j. Ensure that competitive procurements are conducted in a manner that provides full and open competition and do not include unreasonable qualifying requirements. (See 2 CFR [200.319](#))
- k. Ensure that the procurement method (micro-purchases, small purchases, etc.) used conforms with Uniform Guidance. (See 2 CFR [200.320](#) and *Procurement Methods*, below.)
- l. Promote solicitation of bids from small and minority businesses and women-owned business enterprises. (See 2 CFR [200.321](#)) (including small, minority, and women lead nonprofit organizations)
- m. Ensure that 'cost plus' type agreements are not entered into. (See 2 CFR [200.323](#))
- n. Ensure that a cost analysis is performed prior to receiving competitive bids or proposals for procurements in excess of \$250,000. (See 2 CFR [200.323](#))
- o. Ensure that all contracts for services contain all applicable provisions as required by federal regulations 2 CFR Part 200 and other statutes, and as required by the funding agency and funding source(s). (See [Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts under Federal Awards](#))
- p. For all construction contracts, the KCRHA will ensure that all relevant Federal provisions are followed, including but not limited to:
 - i. Compliance with the Copeland Anti-Kickback Act
 - ii. Compliance with the Davis Bacon and related Acts, requiring payment of prevailing wage rates;
 - iii. Provisions that allow appropriate remedies in instances of breach of contract;
 - iv. Suitable provisions for termination by the KCRHA exist;
 - v. Bonding requirements of 2 CFR 200.325 are met;
 - vi. Provisions requiring compliance with Clean Air Act and the Federal Water Pollution Control Act.

Procurement Methods

Procurement methods under Uniform Guidance (2 CFR [200.320](#)) are as follows:

Method	Threshold	Description	Approval
Micro-purchases	In the aggregate amount of \$10,000 or less.	Micro-purchases may be awarded without soliciting competitive quotations if the price is reasonable. The manager authorizing purchase should exercise due diligence in ensuring the price is reasonable. To the extent practicable, the KCRHA must distribute micro purchases equitably among qualified suppliers representing diverse communities.	Unit Manager
Small Purchases	\$10,001 to \$54,000	Price or rate quotations must be obtained from a minimum of three qualified sources.	Department Director
Sealed Bids	Over \$54,000	Formal RFP process used when selection will be made based on lowest price. Results in a fixed-price contract. (Only for construction projects worth more than \$54K.)	CEO/CFO, CAO, CPO
Competitive Proposals	*Over \$54,000	Formal RFP Process used when the award will be based on more than price. <i>See Competitive Proposals, below.</i>	CEO/CFO, CAO, CPO
Non-Competitive Sole Source Procurement		When allowable, procurement through solicitation of a proposal from only one source. <i>See Non-Competitive Sole Source, below.</i>	CAO/CEO or CFO must review all noncompetitive procurement.

*Where funding is provided under a government contract or grant that requires competitive procurement at lesser amounts than detailed above, the limit in the contract will prevail. The KCRHA reserves the right to release a competitive RFP for lesser amounts than specified in the table above or required by funder agreements if it is in the best interest of the KCRHA.

Piggyback Procurement

The KCRHA may utilize the procurement by other government or philanthropic entities that the Authority has determined meet its standards for competitive proposals (see below). The manager authorizing purchase must exercise due diligence to ensure that piggybacked procurements meet the Authority's standards.

- a. "Piggybacking" refers to KCRHA's use of an existing procurement process/contract from another agency as the justification and documentation to form the Authority's own contract directly with the vendor to purchase the same or similar items or services. KCRHA does not become a signatory to, or participate in, the original contract but instead negotiates a new contract with the vendor based on the initial entity's contract. Piggybacking can save time and resources by leveraging other public agencies successful competitive bidding processes.
- b. The CEO may approve the use of a piggyback procurement when it is determined that the procurement was competitive for substantially similar goods or services that the Authority seeks to procure and that it is in the best interest of the Authority to utilize piggybacked procurement.
- c. The manager authorizing purchase should request the contract, award document and any other documents necessary for the Authority to evaluate the procurement and to negotiate its own contract.
- d. The manager authorizing purchase would follow the Authority procedures to negotiate with the vendor to create the Authority's own contract that is based on the KCRHA's contract specifications, including documentation of the piggyback in the procurement file.
- e. Contract pricing and terms under federal GSA contracts represent a special case for piggybacking, and may be adopted as such by approval of the CEO.

Competitive Proposals (RFPs)

The KCRHA must maintain written RFP procedures that ensure that RFPs:

- f. Are reported to the relevant Committee of the KCRHA Implementation Board.
- g. Adhere to general Procurement Standards, as defined above, and in conformance with Uniform Guidance.
- h. Are publicly posted and made available to a reasonable list of potential applicants. RFPs will be advertised to encourage participation by new, non-traditional partners.
- i. Identify all evaluation factors and their relative importance.
- j. Ensure that all applicants have the same information available to them for purposes of preparing the most complete and responsive proposal and that no information can be shared with any applicant unless such information is shared with all applicants.
- k. Are evaluated, and award recipients selected, using documented evaluation and selection methods.
- l. Contracts are awarded to the responsible applicant whose proposal is most advantageous to the program, with price and other factors considered.

Non-Competitive Sole Source Procurement

For Federal Funding in Accordance with 2 CFR [200.320](#)

A Non-competitive sole source procurement method under federal awards may be utilized by the KCRHA in the following situations:

- a. Desired item is only available from a single source
- b. Public exigency or emergency does not permit time for competitive solicitation
- c. The Funder approves noncompetitive proposal in response to written request from the KCRHA
- d. After solicitation of several sources, competition is deemed inadequate

For Non-Federal Funding

For non-Federal Funding, non-competitive sole source procurement methods may be utilized where the award of a contract through the RFB/RFP process is judged to be not feasible or practical. Typically, such judgment shall be deemed appropriate in the following circumstances:

- a. The item or service is only available from a single source, or is copyrighted or legally owned by that source
- b. The item, supply or professional services required is so specialized or unique so as to make identification of appropriate competitive bidders extremely difficult or impossible to find
- c. The procurement represents the augmentation of current services provided by specific vendor and utilization of another source would be impractical and inefficient to the process or deliverable
- d. The needs of the KCRHA are urgent and a formal RFB process would create significant hardship or jeopardy to the KCRHA or the necessary services being provided
- e. An emergency exists that seriously threatens the public health, welfare or safety of staff or clients or immediately endangers property
- f. After solicitation of a number of sources, competition is determined inadequate
- g. Maintenance service agreement exist on equipment or software which must be serviced by the authorized service representatives
- h. The Funder approves noncompetitive proposal in response to written request from the KCRHA
- i. Other reasons with appropriate documented justification

Non-Federal Funding: Funder-Directed Sole Source Procurement

For non-Federal Funding, funders may direct the KCRHA to enter into contract with a specified sub-recipient agency through a non-competitive sole source procurement in one of the following ways:

- *Letter or Funding Form.* The KCRHA can enter into a contract resulting from a non-competitive sole source procurement in response to a letter or funding form which is signed and submitted by an authorized representative of the funding source directing the KCRHA to contract with a specified sub-recipient agency. The letter must indicate the funding amount, contract term, and desired deliverables.
- *Motion.* The KCRHA can enter into a contract resulting from a non-competitive sole source procurement in response to a motion passed by the legislative body of the funding source directing the KCRHA to contract with a specified sub-recipient agency. The motion must indicate the funding amount, contract term, and desired deliverables.

Continuation of Sole-Source Contracts for Direct Service Provision

Contracts resulting from funder-directed sole source procurement for direct service program components that are part of the KCRHA's procurement cycles, will be subject to the next competitive procurement cycle for said program component, that is no less than 12-months from the start of the sole source directive, unless a sole source procurement is deemed appropriate according to the KCRHA's existing standards for sole source procurements as described in this policy.

Sole Source Authorizations

The justification for using Sole Source Procurement must be documented in writing according to one of the criteria

listed above under Non-Competitive Sole Source procurement for federal or non-federal funds. This written documentation must be kept on file as a part of the procurement record. Sole Source awards related to procurement for the KCRHA internal operations must be approved by the Chief Operating Officer or designee. Sole Source procurement related to awards to sub-recipient agencies and vendors must be approved by the Chief Program Officer or designee. The Chief Executive Officer may approve either form of procurement.

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