

quotient of line g divided by line a should equal the reimbursement rate identified in the Grant Agreement. An example of a completed SF270 form can be found in Appendix B of this manual.

Where does the SF270 Go?

Request for Payment should be emailed to admin@nbrc.gov. Once NBRC receives the request it will be processed, and a staff member will follow up with the grantee if necessary. If there are no issues, the request will be forwarded on for the payment to be electronically transferred to the grantee's bank account using the ACH information you provide. When the request is processed, the recipient will receive an email acknowledging the request. After this email the grantee can expect to receive payment within 10 business days.

How long does it take to get funds?

All projects should be able to pay their bills within a month of receiving them without anticipating that NBRC will cover costs immediately. Assume for planning purposes that NBRC funds may be received a month after sending in a Payment request.

As a reminder, 5% of the NBRC award will be held until all project close-out documents are received by NBRC. A grantee's final reimbursement request will not be processed until all required close-out documentation is received, including documentation of all required match.

Procurement

Procurement actions involve the purchase of goods and services needed to support the grant award. Government-wide regulations contained in [2 CFR 200 317-326](#) govern procurement actions. These regulations allow grantees to follow their own procurement procedures so long as they meet the minimum standards identified within [2 CFR 200](#). It is the responsibility of the grantee to review and understand these applicable procurement requirements. While Local Development Districts are available to assist with procurement; the grantee is responsible for ensuring that the process is conducted properly.

NBRC reserves the right to review the procurement procedures of the grantee at any time during the application review process or during performance of the grant in accordance with [2 CFR 200.324](#). Recipients must keep all procurement documents in their project file in the event the project is monitored and/or audited for programmatic compliance. Grantees funded with USDA dollars will be required to provide copies of procurement procedures during the performance of the grant.

Code of Conduct

Grantees must have a written code of conduct that governs the behavior of their officers, employees, and agents who are involved in the selection, award, and administration of contracts. This code must, at a minimum, provide that these individuals refrain from participating in such actions if they have a real or apparent conflict of interest. Such a conflict of interest would arise if the individual or any member of his or her immediate family has a financial or other interest in any firm considered for a contract. Further, these individuals must neither solicit nor accept anything of value from a prospective or incumbent contractor. Additional information about the code of conduct is contained in [2 CFR 200.318 \(c\)](#).

Solicitation

Grantees must ensure that all solicitations (invitations for bids/quotes and requests for proposals) contain a clear and accurate description of the product or service being procured, identify all requirements that the offeror must fulfill, and all factors that will be used in evaluating bids or proposals.

Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of [2 CFR 200.319](#). To ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- (1) Placing unreasonable requirements on firms for them to qualify to do business.
- (2) Requiring unnecessary experience.
- (3) Noncompetitive pricing practices between firms or between affiliated companies.
- (4) Noncompetitive contracts to consultants that are on retainer contracts.
- (5) Organizational conflicts of interest.
- (6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- (7) Any arbitrary action in the procurement process.

The grantee must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, *although this does not preempt state licensing laws* and does not prohibit requirements that contractors must be able to perform in particular locations.

The grantee must ensure that all prequalified lists of persons, firms, or products used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition.

Minority/Women Businesses

The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources.
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises.
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be allowed, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

Bonding

Northern Border Regional Commission has the minimum requirements as follows:

1. A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
2. A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
3. A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided under the contract.

It is the responsibility of the Grantee to understand government procurement procedures. The LDD's role is to assist with knowing the process, but they are not hired to conduct the process for the Grantee. All records of how solicitations were made, and the process and criteria used to obtain services and contracts shall be part of the records of the project and kept in accordance with other Record Retention rules.

Methods of Purchasing

In accordance with 2 CFR 200.320, there are five methods that are permitted to be used in purchasing goods and services under a grant. If any policy or procedure applicable to the grantee under state or local law, or enforceable procedure, precludes, limits, or restricts the use of one or more of these methods, the grantee must follow the more stringent requirement.

Micro-purchases

Purchases by micro-purchase is the acquisition of suppliers or services when the aggregate dollar value of the transaction does not exceed \$10,000 (pursuant to OMB Memorandum 18-18, 6/20/2018). If the grantee's own purchasing procedures establish a lower dollar limit than that established by the federal government, the lower limit must be followed. Micro-purchases may be awarded without soliciting competitive quotations if the grantee considers the price to be reasonable. Soliciting quotations from multiple sources should be considered best practice.

Small Purchase Procedures

Purchases under this procedure involve solicitation of an adequate number of qualified sources when the size of the transaction is not expected to exceed the federal government's "simplified acquisitions threshold" (currently \$250,000). Once again, if the grantee's own procurement procedures establish a lower threshold, the lower threshold must be followed. As noted above, the solicitation is expected to identify the features of the good or service being procured so that offers can be assessed based on their comparability. This method is almost exclusively used when there is a specific item, like equipment, that needs to be purchased.

Competitive Sealed Bids

Through this procedure, bids publicly solicited through formal advertising and a firm fixed price contract is awarded to the lowest responsive and responsible bidder. This is the preferred method for construction, generally referred to as a Request for Proposal. For sealed bidding to be feasible, the following conditions should be present:

1. A complete, adequate, and realistic specification or purchase description is available.
2. Two or more responsible bidders are willing and able to compete effectively for the business; and
3. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally based on price.

If sealed bids are used, the following requirements apply:

1. Bids must be solicited from an adequate number of known suppliers, providing them enough response time prior to the date set for opening the bids. For local, and tribal governments, the invitation for bids must be publicly advertised.
2. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services for the bidder to properly respond.
3. All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly.
4. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
5. Any or all bids may be rejected if there is a sound documented reason.

What happens when there are limited or no bidders on a project?

The grantee should consider re-bidding the project and expand the advertising area to capture a wider audience. If this still produces limited responsive bidders, the grantee may request authority from NBRC to award a contract on a sole source basis. If there were still no bidders, the grantee should consider breaking down the project into segments that would attract specific trades and contractors. In any case, the grantee should fully document their attempts to provide open competition. However, this procedure can present management and oversight challenges for the grantee and should only be used if no other solution is present.

Competitive Proposals

Procurement by competitive qualifications, typically referred to as a Request for Qualifications (RFQ). The technique of competitive qualifications is normally conducted with more than one source submitting an offer, and either a fixed price or cost-payment type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids, such as consultants, that could produce different results. Examples include teachers or training experts for job development, engineers, architects, website development, meeting facilitation, or research experts. If this method is used, the following requirements apply:

1. Requests for qualifications must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical.
2. Proposals must be solicited from an adequate number of qualified sources.
3. The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients.
4. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
5. The grantee may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated, and the

most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E or other professional services. It cannot be used to purchase other types of services though A/E firms that should instead be using another form of procurement.

Noncompetitive Proposals/Sole Source

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

1. The item is available only from a single source. This is rare and must be documented.
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation. This would be an extreme case such as a natural disaster and highly unlikely to be used by NBRC.
3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
4. After solicitation of several sources, competition is determined inadequate.

If procurement is obtained through sole source without the express written authorization from NBRC, the grantee risks termination of its award.

Contracts for administration of grants using Local Development Districts are the only authorized sole source procurement that NBRC has currently authorized.

Contract Award

In addition to inclusion of clauses that define a sound complete and enforceable agreement, the grantee will ensure that the contract contains in text or adopts by reference the clauses contained in 2 CFR 200, [Appendix II](#), which are expressly laid out in the recipient's grant agreement.

Contract Administration

The grantee is responsible for exercising oversight to ensure that the contractor complies with the terms and conditions of the contract and delivers in accordance with the established schedule. Grantee oversight can include, but not be limited to, review of invoices and back-up documentation, conduct of site visits, and withholding of payment corrective action.

Property

Title to supplies, equipment, and real property acquired under a grant vest with the grantee that purchased it. However, NBRC retains a residual financial interest in grant acquired property under certain circumstances.

Types of Property