

**Effective:
September 20, 2024**

Four Square Community Action, Inc. Procurement & Disbursement Policy

**For the 2024 Cycle of the
ESSENTIAL SINGLE-FAMILY REHABILITATION LOAN POOL**

ESFRLP 24

61 Milton Mashburn Rd
Andrews, NC 28901



PO Box 2290
Andrews, NC 28901

Four Square Community Action, Inc.
ESFRLP24
Procurement and Disbursement Policy

PROCUREMENT POLICY

To the maximum extent practical, Four Square Community Action, Inc. (FSCA) promotes a fair, open and competitive procurement process as required under the North Carolina Housing Finance Agency's Essential Single Family Rehabilitation Loan Pool (ESFRLP). Work under ESFRLP will be procured through private contractors (Section A), a combination of FSCA staff and volunteer labor (Section B), and/or through the use of subcontractors for specialized trades (Section C), as described below. FSCA will make special outreach efforts to include M/WBE (Minority/Women Business Enterprise) businesses within its contractor and subcontractor pool.

If deemed appropriate, FSCA may use private contractors for jobs that are completed "turn-key" by the contractor, involving little or no staff or volunteer labor or FSCA-managed subcontractors. The majority of jobs, however, will be completed by a combination of staff, volunteer labor, and FSCA-managed subcontractors, who are used when special skills or licenses are needed to complete a portion of a job. For all pre-1978 units, FSCA is responsible for either acting as or ensuring that a Renovation, Repair and Painting Rule (RRP) Certified Renovator working for Certified Renovation firm is on-site. The RRP contractor must have both firm certificate and qualified renovator's letter on file.

FSCA is an equal opportunity employer, implements non-discriminatory practices in its procurement/disbursement and will make special outreach efforts to include M/WBE (Minority/Women Business Enterprise) businesses within its contractor and subcontractor pool. Contractors will be chosen by the above criteria without regard to race, color, religion, national origin, age, sex, familial status and/or disability.

A. Private Contractors

- A1. Bids are invited from contractors who are part of the FSCA's Approved Contractor/Vendor Registry (CVR). To be in the CVR, a contractor/vendor must complete an application, have their recent work inspected, reviewed and approved by FSCA's Energy and Housing Repair Programs (E&HRP) Director or Field Supervisor and submit W9, proof of liability insurance and workers comp when applicable. FSCA will make special efforts to include M/WBE businesses in this process. Any current contractor/vendor listed with and approved by FSCA and in good standing (i.e., no unresolved past performance issues and not listed on the federal or state debarred list) will receive automatic approval status in the CVR.

- A2. At least three eligible contractors/vendors on FSCA's Approved (CVR) list shall be invited to bid on each job and the lowest responsive and responsible bid shall be selected for the contract. "Responsive and responsible" means (a) the contractor/vendor is deemed able to complete the work in a timely fashion, (b) the bid is within 20%, in either direction, of FSCA's cost estimate, (c) the contractor/vendor has not been suspended or debarred and (d) there is no conflict of interest (real or apparent).
- A3. Although bid packages may be bundled for multiple job sites, the bids for multiple job sites shall be considered separate and apart when awarded and shall be awarded to the lowest responsive and responsible bidders for each job site.
- A4. Bid packages for each job shall consist of:
 - a) An invitation to bid,
 - b) Scope of work / work write up(s),
 - c) Bid sheet(s) for each job to include instructions for distribution and receipt of bid(s)

Contractors/Vendors will be given no less than seven days in which to inspect the property and prepare bid proposals. Each contractor/vendor will need access to the area of the house requiring repair to prepare a bid. A bid opening will be conducted in FSCA's Conference Room located at 61 Milton Mashburn Dr, Andrews, NC 28901 at a specified date and time, with all bidders invited to attend.

- A5. Bids must include a cost-per-item breakdown with line item totals equaling the submitted bid price. Discrepancies must be reconciled prior to a contract being awarded.
- A6. Any change to the original scope of work must be reduced to writing in the form of a change order to be agreed upon and signed by all parties to the original contract and two representatives of FSCA. The change order must also detail any changes to the original contract price. 'No cost' changes to the work scope will be documented as 'No cost' changes orders.
- A7. No work may begin prior to a contract being awarded and executed and a written order to proceed provided to the contractor.
 - a) In addition, a pre-construction conference and "walk thru" shall be conducted at the work site prior to commencement of repair work. At this time, the homeowner, contractor and FSCA's ESFRLP program staff will discuss:
 - i. the details of the work to be completed,
 - ii. starting and ending dates will be finalized,

- iii. any special arrangements such as weekend or evening work hours and disposition of items to be removed from the work area / home.

Within 24 hours of the pre-construction conference, FSCA will issue a written order to proceed formally instructing the contractor to commence work by the agreed-upon date.

- A8. The contractor/vendor is responsible for:
- a) Obtaining a building permit for the project before beginning work if supported by the local jurisdiction. The permit must be posted at the house during the entire period of construction.
 - b) If applicable, the contractor will obtain a permit for lead hazard related activities.
 - c) Communicating with FSCA's ESFRLP staff who will closely monitor the project during the construction period to make sure that the work is being completed.
 - i. according to the scope of work / work write-up (which is to be made a part of the rehabilitation contract for reference),
 - ii. in a timely fashion.
 - d) When applicable, Local Code Enforcement Officials will inspect the work for compliance with the NC State Building Code and the local minimum housing code.
 - e) Communication with the homeowner to protect personal property.
 - i. The contractor/vendor will communicate with the homeowner the need for clearing designated work areas of personal property as needed and as much as practicable.
 - ii. The homeowner will be responsible for collaborating with the contractor/vendor toward clearing designated work areas of personal property as needed and as much as practicable.
 - f) The contractor will be responsible for all clearing and cleaning activities necessary due to construction activities.
- A9. Four Square Community Action, Inc. reserves the right to reject any or all bids at any time during the procurement process.
- A10. In the event of a true emergency, FSCA reserves the right to waive normal procurement procedures in favor of more expedient methods, which may include seeking telephone quotes, electronic bids and the like. Should such methods ever become necessary the transaction will be fully documented. In the event phone bids are used, FSCA will call the first three responsive contractors/vendors on the Approved CVR list who have indicated a desire to be on the telephone call list. FSCA will track who has been called and responsive and will rotate through the full list before beginning the rotation again.

A11. All sealed bids will be opened publicly at a time and place to be announced in the bid invitation. All bidders are welcome to attend. Within 72 hours of the bid opening, after review of bid breakdowns and construction schedules, the winning bid will be selected. All bidders and the homeowner will be notified in writing of:

- a) the selection of the winning bid,
- b) the amount of the winning bid,
- c) the amount of the FSCA's cost estimate,
- d) the specific reasons for the selection, if other than the lowest bid being selected.

B. Staff and Volunteer labor

- B1. FSCA is responsible for procuring all material under the ESFRLP in a fair, open and competitive process.
- B2. Work write-ups on each job and cost estimates will be completed by FSCA with materials broken down by line item. All ESFRLP work write-ups and cost estimates will be reviewed and approved by FSCA's Rehabilitation Administrator prior to the job being bid.
- B3. Five to ten local suppliers shall be invited to bid annually on a FSCA-developed materials list that includes a sample of typical materials used for jobs that involve staff and volunteers. FSCA will make special efforts to include M/WBE businesses in this process. FSCA will select three to seven suppliers that can be used over the course of the year. The lowest responsive and responsible suppliers shall be selected. "Responsive and responsible" means (a) the supplier is deemed able to complete the material request in a timely fashion, (b) the bid is within 15%, in either direction, of what FSCA has estimated the materials to cost, (c) there is no conflict of interest (real or apparent), and (d) the suppliers agrees to B4 as stated below.
- B4. FSCA will establish an account with the selected suppliers and detail all requested materials by unit. The supplier will bill FSCA directly.
- B5. FSCA staff will be responsible for signing for all material receipts from the suppliers and maintaining itemized materials invoices.
- B6. An itemized summary account will be supported by original source documentation such as itemized materials invoices in each client's file.

C. Subcontractors

- C1. FSCA is responsible for procuring all subcontracted services under the ESFRLP in a fair, open and competitive process.
- C2. FSCA will annually “refresh” its pool of subcontractors by inviting area subcontractors to submit a bid for a sample job. FSCA will make special efforts to include M/WBE businesses in this process. There will be a sample job for each of the major trades for which FSCA needs to have a pool of subcontractors: plumbing, roofing, electrical, HVAC, gutters and insulation, masonry, concrete, tree trimming, and others as needed. The lowest two to five responsive and responsible suppliers shall be added to the agency’s pool for their specified trade. “Responsive and responsible” means (a) the subcontractor is deemed able to respond to a work order in a timely fashion, (b) their bid is within 15%, in either direction, of what FSCA has estimated the sample job to cost, and (c) there is no conflict of interest (real or apparent). Subcontractors must also have recent work inspected, receive favorable references from recent clients, submit proof of licensure (if needed) and insurance at the appropriate levels required by the agency, and not have a history of poor performance or responsiveness with FSCA.
- C3. When it is determined that a particular job will require the use of a subcontractor, FSCA will, at its discretion (based on availability of the subcontractor, demands of the job, and recent history of performance) select a subcontractor from the relevant pool to engage for the job. Identified subcontractors will be provided with detailed work write-ups on each job and must submit a similarly detailed cost estimate for each job. The subcontractor will bill FSCA directly.
- C4. Any change to the original scope of work must be reduced to writing in the form of a change order to be agreed upon and signed by all parties to the original contract and two FSCA staff members. ‘No cost’ changes to the work scope will be documented as ‘No cost’ changes orders.
- C5. FSCA reserves the right to reject any or all bids at any time during the procurement process.


DISBURSEMENT POLICY

1. All repair work must be inspected by FSCA’s Home Repair Specialist, and the homeowner prior to any payments to contractors or subcontractors. If all work is deemed satisfactory and all other factors and written agreements are in order, payment shall be issued upon presentation of an original invoice from the contractor. Contractor should allow 25 business days for processing of the invoice for payment.
2. If any of the work is deemed unsatisfactory, it must be corrected prior to authorization of payment. If the contractor fails to correct the work to the satisfaction of FSCA’s Rehabilitation Staff, payment may be withheld until such time the work is satisfactory. (Contractors may follow the Four Square Community Action, Inc.’s Essential Single Family Rehabilitation Loan Pool (ESFRLP) Assistance Policy if a dispute occurs; however, contractors shall abide by the final decision as stated in the policy).
3. Four Square Community Action, Inc. assures, through this policy, that adequate funds shall be available to pay the contractor for satisfactory work.
4. All contractors, sub-contractors and suppliers must sign a lien waiver prior to disbursement of funds.

This Procurement and Disbursement Policy is adopted this the 19 day of Sept 2024.

Four Square Community Action, Inc.

BY: 

Attested by: 

CONTRACTORS STATEMENT:

I have read and understand the attached Procurement and Disbursement Policy.

BY: _____

COMPANY NAME: _____

WITNESS: _____