



**Effective:
SEPTEMBER 2023**

Four Square Community Action, Inc.

Urgent Repair Program 2023

URP23

Procurement & Disbursement Policy

Four Square Community Action, Inc.
Procurement and Disbursement Policy
For the 2023 Cycle of the
URGENT REPAIR PROGRAM

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 Urgent Repair Program (URP). Work under URP 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 a Certified Renovation Firm is on-site. The RRP contractor must possess both a firm certificate and a qualified renovator's letter on file.

A - PRIVATE CONTRACTORS

- A1.** Bids are invited from Contractors who are part of FSCA's approved contractor registry. Any current contractor 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 on the Approved Contractor List.
- A2.** To be listed in the Approved Contractor list, a contractor must complete an application, have their recent work inspected, reviewed, and approved by FSCA's Energy and Housing Repair Programs (E&HRP) Director or representative and submit W9, proof of liability insurance and workers comp when applicable.
- A3.** At least three eligible contractors on FSCA's Approved Contractors list shall be invited to bid on each job and the lowest responsive and responsible bidder shall be

selected for the contract. "Responsive and responsible" means (a) the contractor is deemed able to complete the work in a timely fashion, (b) the bid is within 15%, in either direction, of FSCA's cost estimate, (c) the contractor has not been suspended or debarred and (d) there is no conflict of interest (real or apparent).

- A4.** All qualified contractors will be invited to bid on each home and the lowest responsive and responsible bidder will be selected for the contract. Every reasonable effort will be made to receive at least three quotes, bids or proposals for the product or services needed. All contractors working on pre-1978 units must be Renovation, Repair and Painting Rule (RR&P) Certified Renovators working for Certified Renovation firms; only those contractors with both the renovator letter and the firm certificate on file will be invited to bid on pre-1978 homes. Homeowners who know of quality rehabilitation contractors that are not on the approved vendors list are welcome to invite them to apply.
- A5.** 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 bidder(s) for each job site.
- A6.** Bid packages shall consist of an invitation to bid, work write up(s) and bid sheet(s) for each job, including instructions for distribution and receipt of bids. Contractors will be given no less than seven days in which to inspect the property and prepare bid proposals. Each contractor will need access to all parts of the house in order 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.
- A7.** 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.
- A8.** FSCA reserves the right to reject any or all bids at any time during the procurement process.
- A9.** In the event of a true emergency situation, 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 on the approved contractors 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.

- A10.** 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 reviewing bid breakdowns and construction schedules, the winning bid will be selected, and notification will be in writing.
- A11.** The contractor is responsible for 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. If applicable, the contractor will obtain a permit for lead hazard related activities. Four Square Community Action's E&HRP staff will closely monitor the contractor during the construction period to make sure that the work is being completed according to the work write-up (which is made a part of the repair contract by reference) and in a timely fashion. Local Code Enforcement Officials will inspect the work for compliance with the NC State Building Code and the local minimum housing code, when applicable. To protect personal property the homeowner will be responsible for working with the contractor toward clearing work areas of personal property as needed as much as practicable. The contractor will be responsible for all clearing and cleaning activities necessary due to construction activities.
- A12.** 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 including, at minimum, the homeowner, the contractor, and a representative of FSCA. The change order must also detail any changes to the original contract price and completion date.
- A13.** No work may begin prior to a contract being awarded and executed and a written order to proceed provided to the contractor. In addition, a pre-construction conference and "walk thru" shall be held at the work site prior to commencement of repair work. At this time, the homeowner, contractor and E&HRP representatives will discuss the details of the work to be completed. Starting and ending dates will be finalized, along with any special arrangements such as weekend or evening work hours and disposition of items to be removed from the home. Within 24 hours of the pre-construction conference, FSCA will issue a "proceed order" formally instructing the contractor to commence work by the agreed-upon date.
- A14.** 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, age, national origin, sex, familial status and/or disability.

B – STAFF LABOR AND VOLUNTEERS

- B1.** FSCA is responsible for procuring all material under the Urgent Repair Program 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 URP work write-ups and cost estimates will be reviewed and approved by FSCA's E&HRP Director prior to the job being bid.
- B3.** Five to ten local suppliers shall be selected 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 have three to seven suppliers that can be used over the course of the year. The lowest responsive and responsible suppliers shall be utilized. "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 agree 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 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 Urgent Repair Program in a fair, open and competitive process. FSCA will annually "refresh" its pool of subcontractors by inviting area subcontractors to join FSCA's Approved Vendors list. FSCA will make special efforts to include M/WBE businesses in this process. There will be a list of vendors 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.

- C2.** To be listed in the Approved Subcontractors list, a subcontractor must complete an application, have their recent work inspected, reviewed, and approved by FSCA's Energy and Housing Repair Programs (E&HRP) Director or representative and submit W9, proof of liability insurance and workers comp when applicable, 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(s) from the relevant pool to engage for the job. The Identified subcontractor(s) will be provided with a detailed work write-up on each job and must submit a similar detailed cost estimate for each job. Subcontractor(s) shall be invited to bid on the job and the lowest responsive and responsible bidder shall be selected for the contract. "Responsive and responsible" means (a) the contractor is deemed able to complete the work in a timely fashion, (b) the bid is within 15%, in either direction, of FSCA's cost estimate, (c) there is no conflict of interest (real or apparent). The subcontractor will bill FSCA directly. Every reasonable effort will be made to receive at least three quotes, bids or proposals for the product or services needed.
- C4.** Bids, quotes, or proposals 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.
- C5.** FSCA reserves the right to reject any or all bids at any time during the procurement process.
- C6.** In the event of a true emergency situation, 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 subcontractors on the approved 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.
- C7.** The subcontractor is responsible for obtaining the required permits for the project before beginning work if supported by the local jurisdiction. The permit must be presented to FSCA with necessary approvals following project completion and inspection.

- C8.** 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 including, at minimum, the homeowner, the contractor, and two representatives of FSCA. The change order must also detail any changes to the original contract price and completion date.
- C9.** No work may begin prior to a contract being awarded and executed and a written order to proceed provided to the subcontractor. In addition, a pre-construction conference and “walk thru” shall be held at the work site prior to commencement of repair work. At this time, the homeowner, subcontractor and E&HRP representatives will discuss the details of the work to be completed. Starting and ending dates will be finalized, along with any special arrangements such as weekend or evening work hours and disposition of items to be removed from the home. Within 24 hours of the pre-construction conference, FSCA will issue a "proceed order" formally instructing the subcontractor to commence work by the agreed-upon date.
- C10.** 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, age, national origin, sex, familial status and/or disability.
- C11.** 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 E&HRP staff members.

DISBURSEMENT POLICY

- 1)** All repair work must be inspected by (a) FSCA’s E&HRP Director and/or representative, (b) the local building or minimum housing code inspector when applicable and (c) the homeowner prior to any payments to contractors. 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. Contractors should allow 30 business days for processing of the invoice for payment.
- 2)** Please refer to the FSCA Procurement and Disbursement Policy to understand FSCA’s payment policies, attached.
- 3)** Following construction, the contractor and the E&HRP Director will meet with the Homeowner in a post-construction conference. At this conference the contractor

will hand over all owner's manuals and warranties on equipment and products to the homeowner and be available to answer homeowner questions.

- 4) Project Closeout: When the subcontractor declares the work complete, the E&HRP Director or representative will thoroughly inspect the work. If any of the work is deemed unsatisfactory, it must be corrected prior to authorization of final payment. If the contractor fails to correct the work to the satisfaction of FSCA's E&HRP Director, payment may be withheld until the work is deemed satisfactory. (Contractors may follow FSCA's Urgent Repair Policy if a dispute occurs; however, contractors shall abide by the final decision as stated in the policy). The Homeowner, Project Administrator and E&HRP Director will sign off on the work. After receipt of the subcontractor's final invoice, inspections, certificate of completion and lien releases, the final payment will be ordered. All material and workmanship will be guaranteed by the subcontractor for a period of one-year, using the date the E&HRP Director declares all work complete and approves the final invoice for payment, the homeowner will be provided the one-year warranty date in writing.
- 5) FSCA assures, through this policy, that adequate funds shall be available to pay the contractor for satisfactory work.
- 6) All contractors, sub-contractors and suppliers must sign a lien waiver prior to disbursement of funds.

The Procurement and Disbursement Policies are adopted this
the 18th day of January 2024.
Four Square Community Action, Inc.

BY: Nantash Hill, Finance Committee Chair
ATTEST: J. Bedford

CONTRACTORS STATEMENT:

I have read and understand the attached Four Square Community Action, Inc's Procurement and Disbursement Policy.

BY: _____

COMPANY NAME: _____

WITNESS: _____