

23.0 FEDERAL, STATE, AND GRANT-FUNDED PROCUREMENT REQUIREMENTS

23.1 Applicability

This section applies to purchases, contracts, agreements, professional services, equipment acquisitions, renewals, extensions, amendments, change orders, and other commitments funded in whole or in part with Federal, State, or other grant funds.

Grant-funded procurements shall comply with applicable Federal and State laws and regulations, the terms and conditions of the applicable award, funding-agency requirements, the City's Grant Management Policies and Procedures, and this Procurement Manual.

Where an applicable grant, award, funding agency, or law imposes requirements more restrictive than the City's normal procurement procedures, the more restrictive applicable requirement shall govern.

23.2 Grant-Funded Purchase Form and Requisition Process

Prior to initiating a purchase, contract, agreement, or other commitment involving Federal, State, or other grant funds, the requesting department shall identify the applicable grant or funding source and complete the City's Grant-Funded Purchase Form, or other form approved by Grants Administration.

The completed form and required supporting documentation shall be submitted to Grants Administration for review and approval before submission of the purchase requisition.

Grants Administration shall review the proposed expenditure, as applicable, for:

- a. Identification of the correct grant and funding source;
- b. Eligibility and allowability of the proposed expenditure under the applicable award;
- c. Applicable suspension, debarment, and vendor-eligibility requirements;
- d. Applicable SAM.gov or other funding-agency requirements;
- e. Period-of-performance and award-specific requirements; and
- f. Other grant conditions applicable to the proposed procurement.

Following Grants Administration approval, the requesting department shall upload the approved Grant-Funded Purchase Form and required supporting documentation to the purchase requisition in the City's procurement system.

The requisition shall then proceed through the City's established Finance and Purchasing approval process. Purchasing shall not issue a purchase order or provide final procurement authorization for a grant-funded purchase unless the required Grants Administration approval and supporting documentation are attached to the requisition.

23.3 Authorization Before Costs Are Incurred

Except as otherwise permitted under an applicable emergency or other authorized exception, no grant-funded goods or services shall be ordered, no vendor or contractor shall be directed to begin work, and no grant-funded cost shall otherwise be incurred before issuance and approval of the required purchase order, contract, notice to proceed, or other authorized written commitment.

The purpose of this requirement is to ensure that grant-funded expenditures are reviewed and authorized before the City becomes obligated.

23.4 After-the-Fact Grant-Funded Expenditures

When goods or services have already been received or costs have otherwise been incurred without the purchase order or other prior authorization required by City procurement procedures, the requesting department shall complete the City's After the Fact Form in accordance with this Procurement Manual.

If Federal, State, or other grant funding is proposed for the expenditure, the After the Fact Form and supporting documentation shall also be submitted to Grants Administration for review before the expenditure is charged to the grant.

Grants Administration shall determine whether the expenditure is allowable and eligible under the applicable award and whether additional documentation, grantor approval, corrective action, or other action is required.

Approval of an After the Fact Form documents an exception to the City's normal procurement procedures. It does not constitute retroactive pre-purchase authorization and does not, by itself, establish that an expenditure is allowable or eligible under a grant award.

After-the-fact grant-funded expenditures shall be limited to exceptional circumstances and shall be documented and approved in accordance with City policy.

23.5 Suspension, Debarment, and Vendor Eligibility

Before entering into a transaction subject to Federal suspension, debarment, or other vendor-eligibility requirements, the City shall verify and document that the proposed vendor, contractor, consultant, subrecipient, or other party is eligible to participate.

When applicable, Grants Administration shall ensure that the required eligibility review is completed as part of the Grant-Funded Purchase Form process.

Verification may include a search of SAM.gov Exclusions, vendor certification, required contract language, or other documentation permitted or required by the applicable Federal award or program. When the City performs a SAM.gov review, dated evidence of the search shall be retained.

If an active exclusion, disqualification, or unresolved potential match is identified, the City shall not proceed with the transaction unless the matter has been resolved and documented in accordance with applicable funding requirements.

23.6 Renewals, Amendments, Extensions, and Change Orders

Grant-funded renewals, extensions, material amendments, increases, change orders, changes in vendor, or other modifications that may affect grant compliance shall be submitted to Grants Administration for review when applicable before approval or execution.

A new or updated vendor-eligibility or suspension/debarment review shall be performed when required by the applicable grant, award, funding agency, or program requirements.

23.7 Procurement Documentation and Record Retention

The approved Grant-Funded Purchase Form and applicable supporting documentation shall be retained with or electronically attached to the related requisition, purchase order, contract, or procurement record.

Supporting documentation may include, as applicable:

- a. Grant and funding-source identification;
- b. Grants Administration approval;
- c. SAM.gov or other vendor-eligibility documentation;
- d. Quotes, bids, proposals, or cooperative-purchasing documentation;
- e. Purchase orders and contracts;
- f. Required certifications and grant clauses;
- g. Amendments, renewals, extensions, and change orders;
- h. After the Fact Forms, when applicable; and
- i. Other documentation required by the applicable funding source.

Procurement records shall be retained in accordance with applicable Federal, State, grantor, and City record-retention requirements and shall be maintained or referenced in the appropriate grant file.

23.8 Federally Funded Engineering and Design-Related Consultant Services

For federally funded engineering and design-related consultant services subject to 23 CFR 172.5(c), the City shall prepare, maintain, and follow written policies and procedures governing the procurement, management, and administration of such services in accordance with applicable Federal requirements.