




VIRGIN ISLANDS  
HOUSING FINANCE AUTHORITY

Procurement Policy

<b>SUBJECT: VIHFA Procurement Policies</b>	
<b>Version Number</b>	8
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<b>APPROVAL:</b>	
	<u>12/09/2021</u>
Daryl Griffith Executive Director	Date

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VERSION 2	11/29/2018	Added Section Entitled "Liquidated Damages" on page 15.
	11/29/2018	Section 5.1 updated to reflect contracts funded by federal funds will include the applicable federal requirements and contract provisions required by HUD.
VERSION 3	05/20/2019	Section 4, Paragraph 3 requiring public notice before solicitation is issued was deleted.
		Section 5 updated to establish criteria to determine the procurement policy a CDBG-DR sub-recipient shall utilize.
		Section 5 updated to clearly adopt a \$5,000 small purchase threshold that requires the solicitation of three written quotes.
		Section 5 updated to permit the solicitation of Architectural and Engineering Services under CDBG-DR through a Request for Proposal.
		Section 5 updated to implement a blanket purchase ordersolicitation for office supplies/cleaning supplies and miscellaneous computer supplies up to a maximum of \$15,000 in any given year.
		Section 5 updated to establish a mini-bid process to be utilized within the CDBG-DR program.
VERSION 4	02/16/2020	Section 8 updated to permit the pledging of assets adequate to protect the federal interest as part of the performance bond.
		Section 5 set Micro Purchases threshold from \$100.00 to \$15,000.
		Section 5 set Small Purchases threshold from \$15,000.00 to \$50,000.
VERSION 5	03/11/2020	Section 5 set Black Purchase Order threshold to \$50,000.00.
		Section 5 "Pre-Qualified Pool" updated to permit unit pricing negotiations.
VERSION 6	04/28/2020	Section 1 updated to reflect Board Resolution No. 013-2019_ that granted the Executive Director authorization to update the Procurement Policy as needed to comply with federal procurement procedures required for the implementation and administration of the CDBG-DR Program.
		Reduce Section 5 Micro Purchase maximum threshold from \$15,000.00 to \$3,000.00.

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VERSION 7

6/21/2021

Section 5 "VIHFA Purchasing Methods" – Paragraph 2 (iii) moved to this subheading from under "Small Purchases" subheading.

Section 1 Added "Subgrantee, Subrecipient, and Simplified Acquisition Threshold to Definitions.

Section 2 "Conflict of Interest" Disciplinary disclosure for violation of Conflict of Interest.

Added clause to eliminate unfair competitive advantage.

Section 4 changed heading to "Procurement & Contracting Manager Duties and Delegation of Contracting Authority

Initiation of Procurement Action: added ICE to forms needed.

Unauthorized Obligations: changed Executive Director to Procurement & Contracting Manager "

Section 5 "Federal Procurement"

Added clause for VIHFA to use its own procurement procedures. Added clause that for federally funded programs the most restrictive provision must prevail if conflict of policies.

Section 5 "VIHFA Purchasing Methods" Added Credit Card Purchases, Blanket Purchases, Informal Procurement, Cooperative Purchasing/Intergovernmental Agreements

"Petty Cash" changed Contracting Officer to Petty Cash Custodian.

Blanket Purchases decreased amount from \$5,000 to \$250 per release.

Section 5 Changed Procurement Actions to Formal Procurement.

"Mistake on Bids" changed signatory from Contracting Officer to Executive Director.

"Evaluation" added Conflict of Interest to Confidentiality Statement.

Added clause that Contracting Officer may serve as committee chairperson.

"Negotiation" Added clause that negotiations can only be initiated by Executive Director.

"Award" Added clause that VIHFA reserves the right to enter a contract based on initial offers without further discussion of bids submitted.

"Non-Competitive Proposal" changed used to awarded.

Deleted- based on a good faith review, added clause emergency will not be permitted clause and deleted definition of what defines an emergency.

"Justification" changed approval of form from Contracting Officer to Executive Director.

"Alternate Procurement Methods" moved Cooperative Purchasing,

/ Intergovernmental Agreements and Blanket Purchase Orders to

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### VIHFA Purchasing Methods,

Section 6 Changed Cost and Price Analysis to Independent Cost Estimate (ICE) & Cost/Price Analysis.

Credit (or Purchasing) Cards moved to VIHFA Purchasing Methods.

Section 8 Bonding Requirements – changed amount from \$100,000.00 to \$500,000.00.

Section 11 “Contract Administration” added clause that all required documents are submitted and current.

Changed the Executive Director to Procurement & Contracting Manager or Procurement Contracting Officer.

Section 13 “Formal Appeals Procedure” added that bid protest shall be submitted in writing to Procurement Contracting Officer who may at the decision of the Executive Director suspend...

“Contract Claims” changed decision on Contractor

Claim from Contracting Officer to Executive Director.

Added Right to Reject Bid Packages

Added Right to Select Second Lowest Bidder

Section 16 “Documentation” changed signatory from Contracting Officer to Executive Director.

Added clause on process to request procurement files. Section 18 “Fixed Asset Disposal or Transfer” Section 19 “Subrecipients”

Section 20 “Travel”

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## Procurement Policy

This Procurement Policy ("the Policy") is established for the Virgin Islands Housing Finance Authority ("VIHFA") and outlines all procedures for all procurement activities of the Agency.

### **SECTION 1 - GENERAL PROVISIONS**

#### Purpose

The VIHFA shall: provide for a procurement system of quality and integrity; provide for the fair and equitable treatment of all persons or firms involved in purchasing by the VIHFA; ensure that supplies and services (including construction) are procured efficiently, effectively, and at the most favorable prices available to the VIHFA; promote competition in contracting; and assure that VIHFA purchasing actions are in full compliance with applicable Territorial laws. The VIHFA is committed to the stewardship of the environment and in this effort, will strive to reduce the adverse environmental impact of our purchasing decisions by buying goods and services from manufacturers and vendors who share our commitment to the environment.

#### Application

This Policy applies to all procurement actions of the VIHFA, regardless of the source of funds, except as noted under exclusions, below. However, nothing in this Policy shall prevent the VIHFA from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with the law. When procuring property and services under a grant, the VIHFA will follow the same policies and procedures it uses for procurements from its non-Federal funds. The VIHFA will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations.

#### Definition

The term procurement, as used in this Policy, includes the procuring, purchasing, leasing or renting of: (1) goods, supplies, equipment, and materials, (2) construction and maintenance; consultant services, (3) Architectural and Engineering (A/E) Services, (4) Social Services, and (5) other services.

The term "subrecipient," as used in this Policy, means Non-Federal entities that receive a subaward from a pass-through entity to carry out part of a federal program. A subrecipient may also be a recipient of other Federal awards directly from a federal awarding agency.

The term "subgrantee," as used in this Policy, means Non-Federal entities to which a subgrant is awarded and which is accountable to the grantee for the use of the funds provided.

The term "Simplified Acquisition Threshold, as used in this Policy, means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods.

#### Changes in Laws and Regulations

In the event an application law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with these Policies, automatically supersede these Policies.

Any material modification of any of the policies set forth in this Policy must be approved by the VIHFA's Board of Directors (herein referred to as "the Board") except that the Executive Director is

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authorized to (i) correct inconsistencies and (ii) to make such other revisions to the Procurement Policy and undertake any and all actions necessary to comply with procurement procedures necessary for the implementation and administration.

### Public Access to Procurement Information

Most procurement information that is not proprietary is a matter of public record and shall be available to the public to the extent provided in the United States Virgin Island's Freedom of Information Act.

## **SECTION 2 - ETHICS IN PUBLIC CONTRACTING**

### General

The VIHFA hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. This code of conduct is consistent with applicable Federal and Territorial laws.

### Conflicts of Interest

No employee, officer, Board member or agent of the VIHFA shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, either real or apparent, would be involved. Failure to notify the Authority of or knowledge of intentional conflict will result in disciplinary action up to and including termination of employee. This type of conflict would be when one of the persons listed below has a financial or any other type of interest in a firm competing for the award:

1. An employee, officer, Board member, or agent involved in making the award.
2. His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, firstcousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister).
3. His/her partner; or
4. An organization which employs or is negotiating to employ or has an arrangement concerning prospective employment of any of the above.



### Gratuities, Kickbacks, and Use of Confidential Information

No officer, employee, Board member, or agent shall accept gratuities, favors, or items of more than \$25 in value from any Developer/Contractor/Vendor, potential Developer/Contractor/Vendor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain.

### Prohibition Against Contingent Fees

Contractors wanting to do business with the VIHFA must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies.

## **SECTION 3 - PROCUREMENT PLANNING**

### Procurement Planning

Planning is essential to managing the procurement function properly. Hence, the VIHFA will periodically review its record of prior purchases, as well as future needs, to: find patterns of procurement actions that could be performed more efficiently or economically; maximize competition and competitive pricing among contracts and decrease the VIHFA's procurement costs; reduce VIHFA administrative costs; ensure that supplies and services are obtained without any need for re-procurement, e.g., resolving bid protests; and minimize errors that occur when there is inadequate lead time. Consideration should be given to storage, security, and handling requirements when planning the most appropriate purchasing actions.

## **SECTION 4 – PROCUREMENT & CONTRACTING MANAGER DUTIES AND DELEGATION OF CONTRACTING AUTHORITY**

### Procurement & Contracting Manager Duties

The Procurement & Contracting Manager shall administer all procurement transactions after receiving an approved Request for Procurement Form and supporting documentation. The Procurement & Contracting Manager shall issue Operational Procedures to implement this Policy. The Procurement & Contracting Manager shall also implement the system of sanctions for violations of the ethical standards described in Section 9, Contractor Qualifications and Duties, are consistent with Federal and Territorial laws.

The Procurement & Contracting Manager ensures that:

1. Procurement requirements are planned to ensure that the Agency receives optimum and economical purchasing.
2. All procurement documents such as purchase orders, contracts (including modification thereto), and cooperative and interagency agreements will clearly outline the required supplies, services (including construction), specifications, materials, and equipment are properly supported and documented.
3. Notice of contract awards will be made available to the public.

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4. Solicitation procedures are conducted in full compliance with Territorial laws.
5. An independent cost estimate and a cost or price analysis is conducted for all Federally funded procurements generally, not necessary for micro purchases less than \$2,000.00.
6. The contract is awarded to the responsive and responsible bidder offering the lowest price (for sealed bid contracts) or the offeror whose proposal offers the greatest value to the VIHFA, considering price, technical, and other factors as specified in the solicitation (for contracts awarded based on competitive proposals); unsuccessful firms are notified promptly after contract award.
7. There are sufficient unencumbered funds available to cover the anticipated cost of each procurement action before awarding the contract or issuing the modification.
8. Work is inspected and/or inventory of supplies are verified before payment, and payment is made promptly for contract work performed and accepted; and
9. The authority to terminate contracts in accordance with the terms of such contracts are maintained by VIHFA.

### Procurement & Contracting Manager and Procurement Contracting Officer's

While the Procurement & Contracting Manager is responsible for ensuring that the VIHFA's procurement actions comply with this Policy. The Executive Director may delegate all procurement authority as is necessary and appropriate to conduct the business of the Agency to the Procurement & Contracting Officer.

The Executive Director may appoint individuals as the Acting Procurement & Contracting Manager to administer the contracts and to monitor, within their appropriate area of responsibility, the performance of the Contractor/Consultant. The assigned designee shall be responsible for performing any administrative function associated with the administration of the contract that does not involve a change in the cost or duration of contract performance. Such appointments delegating procurement authority shall be in writing, signed by the Executive Director, and designate the length of time that the authority has been delegated to each individual or individuals. The assigned designee shall have the responsibility for the following:

1. Administration of the contract.
2. Provide on-going coordination and technical assistance to the Contracting Officer and the Contractor/Consultant.
3. Define and prepare the work requirements, inspect, evaluate, and accept the Contractor's/Consultant's work.
4. Advise the Executive Director in writing when situations arise that may modify, disrupt or hinder performance and/or completion of work.
5. Participate in the comprehensive procurement planning for divisions; and
6. Other related duties as deemed appropriate by the Contracting Officer (or his/her designee).

### Initiation of Procurement Action

Documents authorized to initiate any procurement action over \$100.00 shall include, but are not limited to, the following:

1. Request for Procurement Forms attached hereto (Specification/Scope of Work, Independent Cost Estimate, if necessary, quotations, supporting documents and justifications if needed, etc.)

## Unauthorized Obligations

Under no circumstances, are funds to be obligated by VIHFA and members of its staff unless authorized through the proper procurement process as outlined in this Policy or the accompanying Operational Procedures. The Procurement & Contracting Manager will take appropriate positive and/or corrective action, where warranted, to ensure authority-wide compliance and adherence to said Policy and Procedure developed pursuant to the Policy.

## **SECTION 5 - PURCHASING METHODS**

### Federal Procurement

All procurements conducted by VIHFA and its subrecipients shall be conducted in a manner that provides full and open competition. To ensure objective contractor performance and eliminate unfair competitive advantage, contractors that work on specifications, requirements, statements of work, invitations for bids or requests for proposals must be excluded from competing for such procurements.

The procurement of services, supplies, equipment or construction to be funded with Federal funds shall include the applicable federal requirements as denoted under 2 CFR Part 200 Appendix II contract provisions, any applicable terms from the associated grant agreement, and general provisions as required by the funding agency.

1. Selection of Procurement Procedures:
  - A. Agencies and/or entities that are statutorily created by the Virgin Islands Code shall be deemed state agencies who can elect to use their own documented procurement.
  - B. Other entities, including non-profits, will be required to utilize either VIHFA's documented procurement procedures, as listed on [www.vihfa.gov](http://www.vihfa.gov), or adopt 2 CFR 200.318 through 200.327.
2. Award of Contracts  
VIHFA and its sub-recipients are prohibited from the use of cost plus a percentage of cost and percentage of cost pricing methods.
3. In its administration, VIHFA will use its own procurement procedures as set forth under this Policy which reflect applicable Territorial laws and regulations providing for full and open competition. Moreover, VIHFA has incorporated into its required procedures an evaluation of cost or price of the product or service to be procured under the programs. These regulations and requirements (which are based upon 2 CFR 200.318- 200.327) shall be imposed on all subrecipients and/or subgrantees, as required by applicable federal law for all federally funded programs.
4. In the event of any conflict between the provisions of Federal and local procurement regulations and this Policy, the most restrictive provision may prevail.

All procurement transactions for the acquisition of property or services required under a Federal award must be conducted in a manner providing full and open competition consistent with the standards of this section and § 200.320.

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In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft plans, specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements derived from any action taken above. Some of the situations considered to be restrictive of competition include but are not limited to:

- (1) Placing unreasonable requirements on firms in order for them to qualify to do business.
  - (2) Requiring unnecessary experience and excessive bonding.
  - (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.
- (b) The Non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

### [VIHFA Purchasing Methods](#)

#### A. General

The VIHFA has five (5) Purchasing Methods to procure goods and services:

- Petty Cash
- Credit Card
- Purchase Orders (Micro Purchases, Small Purchases and Blanket Purchases)
- Cooperative Purchasing/ Intergovernmental Agreements and Formal Procurement
- Formal Procurement
  - Invitation for Sealed Bids (IFB's)
  - Competitive Proposals; Request for Proposals (RFP's) / Architectural & Engineering Services,
  - Request for Qualifications / Mini Bids (RFQ's)
  - Non-Competitive Bids or Proposals (NCPs).

Any contract not exceeding the simplified small purchase threshold may be awarded in accordance with the procedures authorized in this Section. Requirements, services or material shall not be artificially divided so as to constitute a small purchase under this section (except as may be reasonably necessary to comply with Assistance to Small and Other Businesses referenced in Section 14 of this Policy). The practice of dividing purchases unnecessarily to force the use of small purchase procedure is prohibited.

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The VIHFA shall not break down requirements aggregating more than the small purchase threshold (or the Micro Purchase threshold) into several purchases that are less than the applicable threshold merely to:

(1) permit use of the small purchase procedure or (2) avoid any requirements that applies to purchases that exceed the Micro Purchase threshold.

#### B. Petty Cash Purchases

Petty Cash funds shall be used for emergency purchases or if otherwise authorized in the applicable Petty Cash threshold. The maximum amount of each purchase shall not exceed One Hundred Dollars (\$100.00). Each Petty Cash Fund shall not exceed Two Thousand Dollars (\$2,000.00). The Petty Cash Custodian shall ensure that:

1. The account is established in an amount sufficient to cover purchases made during a reasonable period (e.g., one month).
2. Security is maintained and only authorized individuals have access to the account.
3. The account is reconciled periodically, but not less than monthly, and replenished by submission of a voucher to the Chief Financial Officer or designee.
4. The account is audited quarterly by the Chief Financial Officer or designee to validate proper use and to verify that the account total equals cash on hand plus the total accumulated vouchers.

#### C. Credit Card Purchases

Credit card usage should follow the rules for all other small purchases up to five thousand dollars (\$5,000.00). Requesting department shall still acquire 2 quotes within Micro purchase threshold before purchasing via a credit card.

Virgin Islands Housing Finance Authority's Credit Cards shall be limited to the Executive Director, Chief Operating Officer, Chief Financial Officer, Director of Federal Programs, Executive Administrative Assistant and the Director of Human Resources.

The Authority's Credit Card shall be used only for Agency's purchases included but not limited to, business related travel expenses, purchase of goods for the Agency from local businesses that do not accept government requisitions, purchase of goods from off island suppliers and payment of business-related meetings.

1. Few exceptions shall apply for the use of the Authority's credit card for personal use. Example, if personal charge is a small part of the overall Authority's charge, then personal charge may be permitted.
2. If personal expenses are charged on the Authority's credit card, then full payment shall be made (by check or money order) upon receipt of the monthly credit card invoice.
3. Monthly credit card invoices will be distributed to all holders of the Authority's creditcard to identify charges made before submitting the invoice to the Executive Director for review and payment.
4. All charges shall have the supporting documentation attached (receipt, invoice, etc.).
5. The Authority's credit cards shall be kept in a secured location at all times.
6. Lost, stolen or misplaced credit card shall be reported immediately to the Chief Financial Officer who will cancel the use of the respective card.
7. Misuse of the Authority's credit card policies will result in the suspension of charging privileges and or disciplinary actions being taken, depending on the severity of the

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misuse.

D. Micro Purchase Orders

Micro purchases are for any amount over One Hundred Dollars (\$100.00) to Ten Thousand Dollars (\$10,000.00)

1. For micro purchase amounts which are between One Hundred Dollars (\$100.00) and Ten Thousand Dollars, (\$10,000.00) the VIHFA shall obtain at least two (2) quotes. To the greatest extent feasible, and to promote competition, micro purchases should be distributed among qualified sources. Quotes shall be solicited in writing and only written responses will be accepted. Quotes may also be through e-procurement.
2. All purchases that do not need a firm fixed price contract, require the use of VIHFA Requisition, Purchase Order and Quotation Evaluation Form. When creating a Requisition/Purchase Order, all necessary supporting documentation must be attached including the required quotes and/or a justification letter if needed.

E. Small Purchase Orders

1. Small purchases are for any amount over Ten Thousand Dollars (\$10,000.00) and up to Two Hundred-Fifty Thousand Dollars (\$250,000.00).
2. For all small purchases between Ten Thousand Dollars (\$10,000.00) and up to Two Hundred-Fifty Thousand Dollars (\$250,000.00) for goods and/or services readily available from three (3) or more independent sources within the public and/or private market sectors, generally a minimum of three (3) quotes shall be solicited. Quotes shall be solicited in writing and only written responses will be accepted.
3. A firm fixed -price contract (e.g., purchase order) may be awarded to the qualified vendor that provides the best value to the VIHFA. If award is made for reasons other than lowest price, a written justification shall be provided in the contract file. The names, addresses, telephone numbers of offerors and persons contacted, and any other relevant data shall be maintained in the procurement file.
4. All purchases that do not need a firm fixed price contract, require the use of VIHFA Requisition, Purchase Order and Quotation Evaluation Form. When creating a Requisition/Purchase Order, all necessary supporting documentation must be attached including the required quotes and/or a justification letter if needed.

F. Blanket Purchase Orders

In the interest of economy and efficiency, the Virgin Islands Housing Finance Authority will procure frequently purchased goods and supplies (i.e., emergency supplies, maintenance, repair and operations IT and service agreements) through Blanket Purchase Orders up to a maximum threshold of Two Hundred-Fifty Thousand Dollars (\$250,000.00) for a fiscal year.

Through the blanket purchase order system, VIHFA will establish charge accounts with qualified

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vendors for repetitive small purchases. Each order shall not exceed Two Hundred-Fifty \$250.00 with CFO, COO, CDRO or Executive Director approval and anything above this amount requires Executive Director's signature. This process eliminates the administrative costs for issuing individuals purchase orders for these items. The authority to purchase items utilizing the blanket purchase orders will be delegated to divisions with executive approval. VIHFA's policy is that vendors must have an applicable and current business license before a blanket purchase order will be issued. Blanket Purchase Orders are effective for one fiscal year.

Under the blanket purchase procedures, the VIHFA shall obtain a minimum of three (3) quotes where applicable. Quotes shall be solicited in writing and only written responses will be accepted.

#### G. Cooperative Purchasing/Intergovernmental Agreements

The VIHFA may enter into Territorial cooperative or intergovernmental agreements to purchase or use common supplies, equipment, or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the interagency agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The VIHFA may use Federal or Territorial excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs. The threshold for interagency agreements shall be \$250,000.00. If interagency agreement is expected to exceed this amount, board approval shall be obtained.

### Informal Procurement

#### A. Informal Procurement (Service Agreements)

1. Service Agreement purchases are for any amount over One Hundred Dollars (\$100) and up to Two Hundred-Fifty Thousand Dollars (\$250,000.00).
2. For all service agreements One Hundred (\$100) and up to Two Hundred-Fifty Thousand Dollars (\$250,000.00) for services readily available from three (3) or more independent sources within the public and/or private market sectors, generally a minimum of two (2) or three (3) quotes, depending on amount, (see micro and small purchase threshold for reference), shall be solicited. Quotes shall be solicited in writing and only written responses will be accepted.
3. A firm fixed -price contract (e.g., service agreement) may be awarded to the qualified vendor that provides the best value to the VIHFA. If award is made for reasons other than lowest price, a written justification shall be provided in the contract file. The names, addresses, telephone numbers of offerors and persons contacted, and any other relevant data shall be maintained in the procurement file.
4. When requesting a Service Agreement, all necessary supporting documentation must be attached, including the required quotes and/or a justification letter if needed, contractor's business license and liability insurance naming VIHFA as an additional insured.

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Formal Procurement

All procurement actions over Two Hundred-Fifty Thousand Dollars (\$250,000.00) except for vehicle purchases shall be conducted using contracting methods, by sealed bids, competitive proposals or non-competitive proposals where appropriate. For vehicle purchases, a justification to the Executive Director and a Request for Board Package shall be accompanied by the quotes and quotation evaluation form.

Sealed Bids

Sealed bidding shall be used for all contracts that exceed the small purchase threshold of two hundred-fifty thousand dollars (\$250,000.00) and that are not competitive proposals (non-competitive proposals) as these terms are defined in this Policy. Under sealed bids, VIHFA publicly solicits bids and awards a firm fixed-price contract (lump sum or unit price) to the responsible bidder whose bid, conforming with all the material terms and conditions of the Invitation for Bid (IFB), is the lowest in price.

Sealed bidding is the preferred method for procuring construction, supply, and non-complex service contracts that are expected to exceed \$250,000.00.

A. Conditions for Use

VIHFA shall use the sealed bid method if the following conditions are present: a complete, adequate, and realistic statement of work, specification, or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the work; the contract can be awarded based on a firm fixed price; and the selection of the successful bidder can be made principally on the lowest price.

B. Solicitation and Receipt of Bids

An Invitation for Bid (IFB), which includes the specification(s) and all contractual terms and conditions applicable to the procurement, and a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the solicitation, will be issued. The IFB must state the time and place for both receiving the bids and the public bid opening. All bids received will be dated and time-stamped, recorded on an abstract (tabulation) of bids, and stored unopened in a secure place. No information regarding the bids received shall be disclosed until public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.

C. Bid Opening and Award

Bids shall be opened publicly. All bids received shall be recorded on an abstract (tabulation) of bids, and only the abstract will be made available for public inspection. If equal low bids are received from responsible bidders, selection shall be made by drawing lots or other similar random method. The method for doing this shall be stated in the IFB. If only one responsive bid is received from a responsible bidder, award shall not be made unless the price can be



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determined to be reasonable, based on a cost or price analysis.

#### D. Mistakes in Bids

Correction or withdrawal of bids may be permitted, where appropriate, before bid opening by written or telegraphic notice received in the office designated in the IFB prior to the time set for bid opening. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake was made, the nature of the mistake, and the bid price intended. A low bidder alleging a mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document, but the intended bid is unclear, or the bidder submits convincing evidence that a mistake was made.

All decisions to allow correction or withdrawal of a bid shall be supported by a written determination signed by the Executive Director. After bid opening, changes in bid prices or the other provisions of bids prejudicial to the interest of the VIHFA or fair competition shall not be permitted.

### Competitive Proposals

Unlike sealed bidding, the competitive proposal method permits consideration of technical factors other than price; discussion with offerors concerning offers submitted; negotiation of contract price or estimated cost and other contract terms and conditions; and revision of proposals before the final contractor selection. Award is normally made based on the proposal that represents the best overall value to the VIHFA, considering price and other factors, e.g., technical expertise, past experience, quality of proposed staffing, etc., set forth in the solicitation and not solely the lowest price.

#### A. Conditions for Use

Where conditions are not appropriate for the use of sealed bidding, competitive proposals may be used. Competitive proposals are the preferred method for procuring professional services that will exceed the small purchase threshold but can be used for construction contracts as well.

#### B. Form of Solicitation

Competitive proposals shall be solicited through the issuance of a Request for Proposal (RFP). The RFP shall clearly identify the importance and relative value of each of the evaluation factors as well as any sub factors and price. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established before the solicitation is issued. Proposals shall be handled to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals until after award. The VIHFA may assign the price a specific weight in the evaluation criteria or the VIHFA may consider the price in conjunction with technical factors; in either case, the method for evaluating price shall be established in the RFP.

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C. Evaluation

The proposals shall be evaluated only on the criteria stated in the solicitation. The criteria shall not be amended unless issued in an addendum prior to receiving the proposals. Where not apparent from the evaluation criteria, the VIHFA shall establish an Evaluation Plan for each solicitation request. Generally, all solicitation requests shall be evaluated by an appropriately appointed Evaluation Committee. The Evaluation Committee shall not be required to disclose any potential conflicts of interest and to sign a Conflict of Interest and Confidentiality Statement. An Evaluation Report, summarizing the results of the evaluation, shall be prepared prior to award of a contract. No information regarding the proposals received shall be disclosed until the evaluation. The Contracting Officer will assign or serve as the Committee Chairperson on each evaluation committee. The Evaluation Summary shall be prepared by the Committee Chairperson. All correspondences with contractors will be coordinated through the Contracting Officer. Contractors shall not to be contacted by other any member of the Evaluation Committee. Evaluation Committee members are to adhere to the evaluation schedule provided by the Contracting Officer. The Committee Chairperson will prepare the Evaluation Summary for signatures by all members of the committee.

D. Negotiations

Negotiations on behalf of the Authority shall only be initiated or authorized in writing by the Executive Director. Negotiations shall be conducted with all offerors who submit a proposal determined to have a reasonable chance of being selected for award, unless it is determined that negotiations are not needed with any of the offerors. This determination is based on the relative score of the proposals as they are evaluated and rated in accordance with the technical and price factors specified in the RFP. These offerors shall be treated fairly and equally with respect to any opportunity for negotiation and revision of their proposals. No offeror shall be assisted in bringing its proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations. Negotiations are exchanges (in either competitive or sole source environment) between the VIHFA and offerors that are undertaken with the intent of allowing the offeror to revise its proposal. These negotiations may include bargaining. Bargaining includes persuasion, alteration of assumptions and positions, give-and-take, and may apply to price, schedule, technical requirements, type of contract or other terms of a proposed contract.

E. Award

After evaluation of the revised proposals, if any, the contract shall be awarded to the responsible firm whose technical approach to the project, qualifications, price and/or any other factors considered, are most advantageous to the VIHFA provided that the price is within the maximum

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total project budgeted amount established for the specific property or activity. VIHFA reserves the right to enter into a contract(s) based on the initial offers received without further discussion of the bids submitted. VIHFA reserves the right to contract for all or a partial list of services offered in the bids. VIHFA reserves the right to negotiate reduced payment terms with the awarded Proposer(s).

### Architectural and Engineering Services

The VIHFA must contract for A/E services using Qualification-Based Selection (QBS) procedures, utilizing a Request for Qualification (RFQ). Sealed bidding shall not be used for A/E solicitations. Under QBS procedures, competitor's qualifications are evaluated, and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method.

### Non-Competitive Proposals

#### A. Conditions for Use

Procurement by non-competitive proposals may be awarded only when one of the following applies:

1. The item is available only from a sole source,
2. The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation; or
3. After solicitation of a number of sources, competition is determined inadequate therefore only a single source.

#### B. Justification

Each procurement based on non-competitive proposals shall be supported by a written justification. The justification shall be approved in writing by the Executive Director. Poor planning or lack of planning is not justification for emergency or non- competitive proposal action. The justification, to be included in the procurement file, should include the following information:

1. Description of the requirement.
2. History of prior purchases and their nature (competitive vs. non-competitive).
3. Statement as to the unique circumstances that require award by non-competitive proposals.
4. Description of the efforts made to find competitive sources (advertisement in trade journals or local publications, phone calls to local suppliers, issuance of a written solicitation, etc.).
5. Price Reasonableness. The reasonableness of the price for all procurements based on non -competitive proposals shall be determined by performing an analysis, as described in this Policy.

## Alternate Procurement Methods

### A. Pre-Qualified Pool (PQP)

The VIHFA may select contractors or vendors for any procurement activity from a prequalified pool of potential contractors. Selection of contractors are based on qualifications utilizing a RFQ during the first phase and mini bids during the second phase. Contractors with expired documents shall be removed from the PQP until updated documents are resubmitted. If a mini-bid process is utilized, contract award will be based on lowest responsive bidder and the capacity to complete the project(s). VIHFA may elect to have qualifications submitted for an open period of time or in phases. When the procurement solicitation submission deadline is left open, qualifications will be reviewed as received or at specific intervals set forth by the Authority. When the solicitation submission deadline is broken into phases, qualifications received by the prescribed dates will be reviewed at specific intervals set forth by the Authority based upon the corresponding dates outlined. Where a PQP has been established for a particular procurement, the solicitation of mini-bids or engagement of unit price negotiations need not be publicly advertised.

## **SECTION 6 – INDEPENDENT COST ESTIMATE (ICE) & COST / PRICE ANALYSIS**

### Cost / Price Analysis

An Independent Cost Estimate and a Cost/Price analysis shall be conducted by the requesting department for all federally funded procurement to include contract cost modifications, mini-bids, and projects generally, not necessary for micro purchases less than \$2,000.00.

The ICE shall be conducted to provide a measure in determining price/cost reasonableness. It shall be prepared before solicitation to give budgetary guidance and to help determine the best procurement method. For contract cost modifications, an ICE shall be conducted prior to approval.

Prior to making an award, a cost/price analysis must support the award by documenting that the cost/price for the goods or services is reasonable. Either a cost or price analysis is required and performed on the apparent lowest responsive bidder. The ICE developed prior to issuing the solicitation should always be used as a reference for the cost/price analysis.

Price Analysis is a simple comparison of prices when competition is adequate. It is typically used for micro or small purchases, sealed bids and simple competitive proposals when only the price paid is the determining factor and fair competition is present.

Cost Analysis is required when price is not the determining factor for the award, there is no competition in the marketplace, there is inadequate competition or alternative means cannot be used.

The Procurement Contracting Officer or designee will identify staff or others (Expert) with the expertise

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necessary to conduct a specific analysis.

The Authority will:

- a. Review the scopes of work.
- b. Prepare a cost or price analysis using ICE developed prior to issuing the solicitation and compare bids received to determine cost reasonableness.
- c. Document the cost or price analysis in the procurement file,
- d. Include cost or price analysis and cost reasonableness determination in Evaluation Summary.

As Project Agreements are executed VIHFA Program Managers will conduct training on Cost/ Price Analysis with the Subrecipients. Any existing Subrecipient with an executed Project Agreement will be trained on this policy.

### Liquidated Damages

Construction contracts with liquidated damages provisions must describe the rate(s) of liquidated damages assessed per day of delay. If a contract contains liquidated damages provisions, the contract shall include the applicable liquidated damages clause and liquidated damages rates, and solicitations should advise that liquidated damages will apply.

## **SECTION 7 - SOLICITATION AND ADVERTISING**

### Method of Solicitation

- A. Petty Cash, Micro Purchases, and Small Purchases - Quotes may be solicited through fax, by e-bid or by any other reasonable method, including but not limited to electronic mail.
- B. Sealed Bids and Competitive Proposals - Solicitation must be done publicly. The VIHFA must use one or more following solicitation methods, provided that the method employed provides for meaningful competition.
  1. Advertising in newspapers or other print mediums of local or general circulations.
  2. E-Procurement. The VIHFA may conduct its public procurements through the Internet using e-procurement system. However, all e-procurements must otherwise be in compliance with local requirements and VIHFA's policy.

### Time Frame

For purchases of more than \$250,000, the public notice should run not less than three days in a newspaper of general circulation in the Virgin Islands.

### Form

Notices/advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, the name and number or address of a contact person that can provide a copy of, and information about, the solicitation, and a brief description of the needed items(s).

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Time Period for Submission of Bids

A minimum of 15 days shall be provided for preparation and submission of sealed bids and competitive proposals. However, the Executive Director may allow for a shorter period under extraordinary circumstances.

Cancellation of Solicitations

- A. An IFB, RFP, or other solicitation may be cancelled before bids/proposals are due if:
  - 1. The supplies, services (including construction) are no longer required.
  - 2. The funds are no longer available.
  - 3. Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best; or
  - 4. Other similar reasons.
  
- B. A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if:
  - 1. The supplies or services (including construction) are no longer required.
  - 2. Ambiguous or otherwise inadequate specifications were part of the solicitation.
  - 3. All factors of significance as delineated in the solicitation to the VIHFA were not considered.
  - 4. Prices exceed available funds, and it would not be appropriate to adjust quantities to come within available funds.
  - 5. There is reason to believe that bids or proposals may not have been independently determined in open competition, may have been collusive, or may have been submitted in bad faith; or
  - 6. For good cause of similar nature when it is in the best interest of the VIHFA.
  
- C. The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request.
  
- D. A notice of cancellation shall be sent to all bidders/offerors solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any re-solicitation or future procurement of similar items.
  
- E. If all otherwise acceptable bids received in response to an IFB are at unreasonable prices, an analysis should be conducted to see if there is a problem in either the specifications or the VIHFA's cost estimate. If VIHFA's specifications and cost estimate are determined adequate and the only bid received is unreasonable, the Executive Director may cancel the solicitation.
  
- F. If problems are found with the specifications, VIHFA should cancel the solicitation, revise the specifications and re-solicit using an IFB.

**SECTION 8 - BONDING REQUIREMENTS**

Requirements

The standards under this section apply to construction contracts that exceed \$500,000.00. There

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are no bonding requirements for small purchases or for competitive proposals. The VIHFA may require bonds in these latter circumstances when deemed appropriate; however, non-construction contracts should generally not require bid bonds.

#### **A.** Bid Bonds

For construction contracts exceeding \$750,000.00, bidders may be required to submit a bid guarantee equivalent to 5% of the bid price.

#### **B.** Performance and Payment Bonds

For construction contracts exceeding \$ 500,000.00, the successful bidder may be required to furnish an assurance of completion. This assurance may be any one of the following:

1. A performance and payment bond in a penal sum of 100% of the contract price; or
2. Separate performance and payment bonds, each for 50% or more of the contract price; or
3. A 20% cash escrow; or
4. A 25% irrevocable letter of credit.
5. A pledged asset(s) that is adequate to protect the federal interest.

These bonds must be obtained from guarantee or surety companies authorized to do business in the Territory where the work is to be performed. Individual sureties shall not be considered. U.S. Treasury Circular Number 570 lists companies approved to act as sureties on bonds securing Government contracts, the maximum underwriting limits on each contract bonded, and the State/Territories in which the company is licensed to do business. Use of companies on this circular is mandatory.

## **SECTION 9 - CONTRACTOR QUALIFICATIONS AND DUTIES**

### Contractor Responsibility

VIHFA shall not award any contract until the prospective contractor, i.e., low responsive bidder, or successful offeror, has been determined to be responsible. A responsible bidder/offeror must:

- A. Have adequate financial resources to perform the contract, or the ability to obtain them.
- B. Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all of the bidders/offers existing commercial and governmental business commitments.
- C. Have a satisfactory performance record.
- D. Have a satisfactory record of integrity and business ethics.
- E. Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them.
- F. Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and

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- G. Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not be suspended or debarred.

If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.

### Suspension and Debarment

Contracts shall not be awarded to Contractors debarred, suspended, or is deemed ineligible by the VIHFA.

## **SECTION 10 - CONTRACT PRICING ARRANGEMENTS**

### Contract Options

Options for additional quantities or performance periods may be included in contracts, provided that:

- A. The option is contained in the solicitation.
- B. The option is a unilateral right of the Authority.
- C. The contract states a limit on the additional quantities and the overall term of the contract.
- D. The options are evaluated as part of the initial competition.
- E. The contract states the period within which the options may be exercised.
- F. The options may be exercised only at the price specified in or reasonably determinable from the contract; and
- G. The options may be exercised only if determined to be more advantageous to VIHFA than conducting a new procurement.

## **SECTION 11 - CONTRACT ADMINISTRATION**

The VIHFA shall maintain a system of contract administration designed to ensure that contractors perform in accordance with their contracts and all required documents are submitted and current. These systems shall provide for inspections of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts, and similar matters. The Procurement & Contracting Manager or approved designee shall be responsible for monitoring the implementation of the procurement instrument and shall ensure the fulfillment of all written requirements. If the contracting organization violates any of the terms or conditions of the award, the Procurement & Contracting Manager or his/her appointee shall take appropriate corrective action.



## SECTION 12 - SPECIFICATIONS

### General

All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying VIHFA's needs. Specifications shall be reviewed prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Function or performance specifications are preferred. Detailed product specifications shall be avoided whenever possible. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

## SECTION 13 - APPEALS AND REMEDIES

All claims by a contractor relating to bid or contract performance shall be submitted in writing to the Authority for a written decision approved by the Executive Director.

- A. Bid Protest  
Any actual or prospective contractor may protest the solicitation or award of a contract for serious violations of the principles of this Policy. Any protest against a solicitation must be received before the due date for the receipt of bids or proposals, and any protest against the award of a contract must be received within five (5) business days after the contractor receives notice of the contract award, or the protest will not be considered. All bid protests shall be in writing, submitted to the Procurement Contracting Officer or designee, who shall inform the Division Director of the issue. The Contracting Officer may, at the decision of the Executive Director, suspend the procurement pending resolution of the protest if the facts presented so warrant.
- B. Contractor Claims  
During contract administration, the contractor may submit an appeal in writing and request a conference on the claim. The Executive Director's response shall inform the contractor of the Authority's final decision regarding the appeal.
- C. Right to Reject Bid Packages  
VIHFA reserves the right to reject, without prejudice, any and all bids submitted in response to any solicitation. Further, Bids submitted in response to any solicitation becomes the property of VIHFA and VIHFA may use any idea or concept in a submitted bid, regardless of whether that bid is selected for award.

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- D. Right to Select Second Lowest Responsive Bidder  
VIHFA reserves the right to select the second lowest responsive bidder who submitted a proposal in the same solicitation after a contract has been canceled or voided. VIHFA will assure the second lowest responsive contractor's proposal follow all the requirements of the solicitation and all required documents have been submitted and are current.

## **SECTION 14 - ASSISTANCE TO SMALL AND OTHER BUSINESSES**

### Required Efforts

All feasible efforts shall be made to ensure that small and minority-owned businesses, women -owned business enterprises, and other individuals or firms located in or owned in substantial part by persons residing in the area of the VIHFA project are used when possible. Such efforts shall include, but shall not be limited to:

- A. Including such firms, when qualified, on solicitation mailing lists.
- B. Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources.
- C. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms.
- D. Establishing delivery schedules, where the requirement permits, which encourage participation by such firms.
- E. Including in contracts, to the greatest extent feasible, a clause requiring contractors, to provide opportunities for training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which provide opportunities to low-income residents; and
- F. Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed above.

Goals shall be established by the VIHFA periodically for participation by small businesses, minority-owned businesses, women-owned business enterprises.

### Definitions

The following are definitions of terms as they relate to VIHFA's required efforts to assist small businesses, women-owned business enterprises, and minority-owned businesses and other local entities.

1. A "small business" is defined as a business that is: independently owned;

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not dominant in its field of operation; and not an affiliate or subsidiary of a business dominant in its field of operation.

2. A "minority-owned business" is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to, Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans, and Hasidic Jewish Americans.
3. A "woman-owned business enterprise" is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.

## **SECTION 15 - BOARD APPROVAL OF PROCUREMENT ACTIONS**

Approval of the Board of Directors is required for contracts that are in excess of Two Hundred-Fifty Thousand Dollars (\$250,000.00). For contract modifications less than Two Hundred-Fifty Thousand Dollars (\$250,000.00), the Board of Directors approval is not required unless a modification brings a consecutive series of modifications in the aggregate to an excess of Two Hundred-Fifty Thousand Dollars (\$250,000.00). Thereafter, the Executive Director is again authorized to execute contract modifications which alone or in the aggregate do not exceed Two Hundred-Fifty Thousand Dollars (\$250,000.00) or 25% of the total contract without the Board of Directors approval until such time as a contract modification brings the aggregate of such consecutive series of modifications to an excess of Two Hundred-Fifty Thousand Dollars (\$250,000.00). In the event the Executive Director determines it would be in the best interest of VIHFA, the Executive Director, upon concurrence of the Chairperson of the Board of Directors, may execute a contract and/or modification for over Two Hundred-Fifty Thousand Dollars (\$250,000.00) or a modification that brings a consecutive series of modifications over Two Hundred-Fifty Thousand Dollars (\$250,000.00) or 25% of the total contract and do so before the next Board of Directors' meeting, provided that said contract and/or modification(s) is presented to the Board of Directors for ratification at the next Regular or Special Board meeting.

## **SECTION 16 - DOCUMENTATION**

The VIHFA must maintain records sufficient to detail the significant history of each procurement action. These records may include, but shall not necessarily be limited to, the following:

- A. Rationale for the method of procurement (if not self-evident).
- B. Rationale of contract pricing arrangement (also if not self-evident).
- C. Reason for accepting or rejecting the bids or offers.
- D. Basis for the contract price
- E. A copy of the contract documents awarded or issued and signed by the Executive Director or an approved member of the Executive Staff.

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- F. Basis for contract modifications; and
- G. Related contract administration actions.

The level of documentation should be commensurate with the value of the procurement. The Procurement Department shall remain the custodian of all procurement records to include confidential vendor files. In the event of an audit or for monitoring purposes, any department requesting to review procurement files shall submit request in writing. No more than five (5) files can be released at a given time per request. If more files are needed, they will be released when the initial five files have been returned to the Procurement Department.

**Records are to be retained for a period of three (3) years after final payment and all matters pertaining to the contract are closed.**

## **SECTION 17 - FUNDING AVAILABILITY**

Before initiating any contract, the VIHFA shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.

## **SECTION 18 – FIXED ASSET DISPOSAL OR TRANSFER**

Before disposal or transfer of any fixed assets, the Division Director shall request approval from Executive Director. Once approved, the process will be recorded and forwarded to Finance Department. Shall an auction be determined; the authority will advertise for no less than three (3) days.

## **SECTION 19 – SUBRECIPIENTS**

Departments, Authorities and/or agencies that are statutorily created by the Virgin Islands Code and deemed state agencies and who elect to use their own documented procurement policy and procedures shall submit said policy and procedures to VIHFA for review to ensure compliance with the terms and conditions of all federal awards and applicable sections of the Code of Federal Regulations during their Capacity Assessment.

The Subrecipient shall submit to VIHFA a complete package for each procurement. Each procurement package must contain all items on the procurement checklist under the pre-procurement section that are relevant to that procurement.

The subrecipient shall make available for VIHFA review, all procurements prior to issuance.

The subrecipient shall submit to VIHFA, all the required documentation on the procurement checklist under the pre-award section for review prior to issuing an award.

The subrecipient will submit to VIHFA for approval any change order that deviates from the original contract.

## **SECTION 20 – TRAVEL**

VIHFA may authorize travel for its employees to conduct business on its behalf. Approval

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signatories for travel are the Executive Director, Chief Operating Officer, Chief Financial Officer and the Chief Disaster Recovery Officer. VIHFA authorizing officials will control travel and the resulting costs by confirming that all requests are a justified proposed travel. Due to limited-service providers in the region, selection of airlines and hotels may not be based on the lowest cost provided but who may have availability to secure travel at the requested time.