



REQUEST FOR PROPOSAL

AUDIT SERVICES

RFP #15-005

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Introduction

The Sanford Housing Authority (SHA) is a small-sized Public Housing Authority serving the housing needs of lower income residents of the city of Sanford, North Carolina. The Conventional housing program assists approximately 448 families within SHA owned and managed properties. The Section 8 housing program administers the federal Housing Choice Voucher program, which assists approximately 700 families. An agency overview for the SHA is available at <http://www.shanc.org>. The Sanford Housing Authority closely follows HUD guidelines and follows procurement regulations 24CFR 85.36 and 24 CFR 123.15. SHA also follows the North Carolina Public Records Act and conducts all procurement procedures in accordance with state regulations.

SHA invites qualified independent auditors (hereinafter called “auditor”) having sufficient governmental accounting and auditing experience in performing an audit in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal.

There is no expressed or implied obligation for SHA to reimburse firms for any expenses incurred in preparing proposals in response to this request.

I. SCOPE OF SERVICES

The audit will be in accordance with generally accepted auditing standards as included in Statements on Auditing Standards, the GAO Government Auditing Standards, GAO Guidelines for Financial and Compliance Audits of Federally Assisted Programs, Federal OMB Circular A-128 and Circular A- 87, the Single Audit Act of 1984, AICPA Statement of Position 92-7 Audits of State and Local Governmental Entities Receiving Federal Financial Assistance and Laws of the State of North Carolina.

The annual financial statements include the basic financial statements, required and other supplementary information and compliance reports.

II. AUDIT SERVICE PERIOD

The Housing Authority intends to continue the relationship with the selected auditor for a three (3) year term and is subject to annual review and recommendation of the Executive Director.

- October 01, 2014 through September 30, 2015 (Fiscal Year 2015)
- October 01, 2015 through September 30, 2016 (Fiscal Year 2016)
- October 01, 2016 through September 30, 2017 (Fiscal Year 2017)

III. AUDIT SERVICE REQUIREMENTS

1. The audit must be conducted in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; Office of Management and Budget Circular A-133, and Audits of States, Local Governments.
2. The auditor should also be familiar with and prepared to advise Housing Authority staff on how best to implement both current and proposed GASB Statements. In addition, the auditor is also expected to provide informal advice and consultation throughout the year on matters relating to accounting and financial reporting. This would not necessarily include any task that entails significant research or a formal report.
3. Should circumstances arise during the audit that require significant additional work to be performed in excess of the amounts set forth in the contract, additional costs shall be negotiated prior to commencement of the work and an amended contract will be submitted for approval.
4. The Housing Authority is responsible for balancing all accounts at year-end and will furnish work papers in conjunction with the audit engagement. The Housing Authority will prepare a preliminary draft of the financial statements in a format suitable for publication to be reviewed by the auditor. The auditor will provide recommended adjusting journal entries to be reviewed by the Housing Authority.
5. Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:
 - A. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles for the Housing Authority. The financial audit opinion will cover the basic financial statements. The audit shall lead to the expression of an unqualified opinion on the financial statements unless the auditor justifies to the Housing Authority, in advance and in writing, the reasons for an opinion that is other than unqualified. Certain combining schedules, and related information are not necessary for a fair presentation, but will be presented as additional analytical data. This supplementary information will be subjected to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the financial statements taken as a whole.
 - B. A report on compliance and on the internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards (Single Audit).

- C. A report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133 (Single Audit).
 - D. A schedule of findings and questioned costs (Single Audit).
6. The audit fieldwork must be completed during October and November following the fiscal year end and final reports for the Housing Authority must be rendered by December 15.
 7. Each annual audit may include written recommendations made to management which address any findings, observations, opinions, or comments relating to internal controls, financial systems, compliance or other matters that come to the attention of the auditors during the examination. This management letter shall be provided in draft form prior to publication of the annual financial statement and discussed with the Executive Director and the Accounting Manager. The draft of the management letter shall be provided by approximately December 1.
 8. The working papers shall be retained, at the auditor's expense, and made available upon request by the Housing Authority or any cognizant agency for no less than five years from the date of the audit report.
 9. In addition to the report and opinion issued for the Housing Authority, the auditor may be requested to review and issue opinions on separate reports for each of the component units utilizing appropriate standards.

IV. OTHER SERVICES

1. The planning phase of the audit engagement may commence upon notification to the auditor of acceptance of their proposal. The auditor should meet with the Executive Director prior to the commencement of the Fiscal Year 2015 audit to discuss the auditor's planned approach to the audit and to provide a list of schedules to be prepared by Housing Authority personnel prior to the beginning of fieldwork. It is expected that interim fieldwork would be performed in October or November with the final phase of fieldwork completed by December.
2. An exit conference is required of the auditor upon completion of fieldwork with the Finance Committee to inform them of pertinent findings.
3. A formal presentation of the report by the auditor to the Board of Commissioners may be required.
4. The auditor will complete and transmit the *Data Collection Form* to be filed with the federal clearing house.

5. The auditor will not be involved in submission of the unaudited Financial Data Schedule to the U.S. Department of Housing and Urban Development. However, the auditor will perform appropriate procedures related to the submission of the audited Financial Data Schedule upon completion of the audit and if necessary, any re-submission as required by the U.S. Department of Housing and Urban Development.
6. The auditor will prepare Internal Revenue Service Form 990s or other appropriate forms as well as appropriate State of North Carolina tax forms as may be appropriate for the Housing Authority's component units. The auditor will be responsible for preparing and submitting, upon Housing Authority approval, any necessary requests for extensions.
7. The auditor should be prepared to provide an electronic version of any opinion letters or management letters such that they can be inserted into a Comprehensive Annual Financial Report utilizing the ability to insert pages into a PDF document. The Housing Authority typically uses Microsoft Word to prepare the annual financial report with the final version exported to a PDF file for publication and distribution.

V. DESCRIPTION OF PROGRAMS ADMINISTERED BY THE AUTHORITY

1. Programs using project based accounting that require audit include:
 - A. Federal Conventional Housing consisting of approximately 488 Elderly and Family units.
 - B. Conventional Housing consisting of approximately 42 Elderly and Family units.
 - C. A variety of grants related to the Resident Opportunities and Self-Sufficiency Program, the Family Self-Sufficiency Program, and others.
 - D. Federal Section 8 Housing Choice Vouchers program consisting of approximately 646 Housing Choice Vouchers
 - E. Federal Capital Fund Programs (CFP) estimated at \$600,000 annually.
 - F. A Central Office Cost Center
 - G. Sanford Affordable Housing Development Corporation
2. The Housing Authority may create additional entities or participate in new programs that may be subject to audit procedures.

VI. ACCOUNTING RECORDS

The computerized budget and accounting records are processed on a networked system utilizing Lindsey software.

VII. OTHER CLAUSES

1. No material belonging to the Housing Authority may be removed from the office of the Housing Authority.
2. All work performed in the administrative office of the Housing Authority will be during regular business hours of the authority (8:00 am to 5:00 pm Monday thru Friday).
3. No member, officer or employee of the Housing Authority, no member of the governing body of the locality in which any of the projects situated, no member of the governing board of the City of Sanford where the Housing Authority was activated, and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the Housing Authority's projects during his/her tenure, or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof.
4. No member of or delegate to the Congress of the United States, or Resident Commissioner, shall be admitted to any share or part of the contract or to any benefits that may arise there from.
5. The Auditor warrants that he/she has not employed any person to solicit or secure the contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Housing Authority the right to terminate the contract, or in its discretion, to deduct from the Auditor's fee the amount of such commission, percentage, brokerage, or contingent fees.
6. The Auditor shall not assign or transfer any interest in the contract without prior approval of the Housing Authority.
7. The Auditor covenants that she/he presently has no interest and shall not acquire any interest, direct or indirect, in the projects and/or programs of the Housing Authority, or any other interest, which would conflict with the performance of his/her audit.

VIII. AUDIT CONTRACT & PAYMENT OF AUDIT FEES

The audit contract must be approved by the Board of Commissioners. Invoices are subject to approval by Housing Authority staff. Interim or progress billings will be accepted up to

75% of the total fee prior to submission and acceptance of the audit reports and materials to the staff of the Housing Authority.

IX. DESCRIPTION OF SELECTION PROCESS

1. Proposals will be considered solely based upon the evaluation factors listed in this RFP. The firm best meeting the experience, audit approach and cost/price requirements will be selected.
2. The Housing Authority shall establish a competitive range for the proposals. Any proposal which has a reasonable chance to meet the Authority's objectives should be included to maximize potential competition among the proposals. Any firm who scores within the competitive range shall be eligible for an interview if the Authority decides to use the interview process. The Authority waives the right to conduct oral interviews for the competitive range of bidders if such process proves unnecessary.
3. The Authority reserves the right to reject any or all packages when it is in the best interest of the Authority to not accept the proposal of a bidder who has not met the prerequisites of the RFP and who has failed to complete projects on time of a similar nature or in the opinion of the Authority is not in a position to perform the work satisfactorily. SHA also reserves the right to waive any informalities and technicalities.
4. Failure to respond to any requirements outlined in the RFP or failure to enclose copies of the required documents may disqualify the bid.

X. EVALUATION CRITERIA

1. Responses to this request should follow the outline below for requested information:
 - A. Indicate the number of people (by level) located within the local office that will handle the audit.
 - B. Provide a list of the local office's current and prior housing authority clients, indicating the types of services performed and the number of years served for each. Responsive firms should include any relevant information regarding audits performed on financial statements.
 - C. Describe your audit organization's participation in AICPA-sponsored or comparable quality control programs (peer review). Provide a copy of the firms current peer review.
 - D. Describe the professional experience in housing authority audits of each senior and higher level person assigned to the audit, the years on each job, and

his/her position while on the audit. Indicate the percentages of time each senior and higher-level personnel will be on site.

- E. Describe the professional experience of assigned individuals in auditing relevant housing authority agencies, programs, activities or functions (e.g. Low Rent Public Housing, Housing Choice Voucher and Affordable Housing).
- F. Provide names, addresses and telephones numbers of personnel of current or prior housing authority clients who may be contacted for reference.
- G. Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), Amendment 3. Provide a copy of the firm's Statement of Policy and Procedure.
- H. Describe the firm's insurance coverage and limitations.
- I. Describe any regulatory action taken by any oversight body against the proposing audit organization or local office.
- J. Describe any assistance or responsibilities expected of the Authority's staff, if other than outlined in the RFP.
- K. Describe tentative schedule for completing the audit within the specified deadlines of the RFP.
- L. Specify costs using the format below for the audit year October 1, 2014 to September 30, 2015. For the two years, which follow, list estimated costs. The cost for the audit year ending September 30, 2015 is binding, while the two years which follow are estimated costs.
 - i. Labor costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour.
 - ii. Estimated hours – categorize estimated hours into the following: on-site interim work, year-end on-site work, and work performed in the auditor's office.
 - iii. Rate per hour. iv. Total cost for each category of personnel and for all manpower costs.
 - v. Travel – itemize transportation and other travel costs separately.
 - vi. Cost of supplies and materials – itemize.
 - vii. Other costs – completely identify and itemize.

XI. EVALUATION CRITERIA

The table below demonstrates the evaluation criteria that will be utilized by the Housing Authority to evaluate proposals received from interested firms.

Evaluation Criteria	Description	Maximum Points
Ability to perform work	Technical and professional competence of principals and staff assigned to the project	25
Professional services	Capability of firm to complete work in a timely manner, creativity of approach, use of technology and communication tools	25
Past performance	Evidence of quality of work for clients, ability to control costs, compliance with performance schedules	25
Section 3	Evidence of a Section 3 plan/program in place to comply with HUD Section 3 regulations or the auditor is a HUD Section 3 business	10
Cost	Cost of services	15
Total		100

For each of the criteria above, proposals will be assigned a point rating from 0 to the maximum available by each member of an evaluation committee assigned to review and evaluate proposals.

Time Schedule for Awarding the Contract

Request for proposal packages will be available via www.shanc.org on **March 11, 2015**

RFP #15-005 must be received no later than **4:00 PM, EST, April 28, 2015**.

Late bids will not be accepted.

Proposals must be submitted with one (1) original hard copy, and five (5) copies of the proposals in sealed envelopes as described in the selection process clearly identifying the first section and the second section. The envelopes must include the following information; Firm Name, Bid Number, Bid Description. The original hard copy must be stamped "MASTER".

One (1) electronic copy either on, CD-ROM, DVD, or thumb drives may also be submitted with the proposal in addition to the hard copies. Electronic copies will only be accepted with the hard copy proposal.

Executive Director, Sanford Housing Authority, 1000 Carthage Street, Sanford, NC 27331

Deadline for questions will be **April 17, 2015, EDT**. The answers to questions received will be posted on April 20, 2015 by the end of the business day. All questions and answers will be posted on the website at www.shanc.org.

All inquiries should be sent via email to Shannon McLean, smclean@shanc.org.

FORM OF NON-COLLUSIVE AFFIDAVIT

A F F I D A V I T

(Prime Bidder)

State of _____)ss.

County of _____)

_____, being first duly sworn, deposes and says:

That he/she is _____

(Partner or Officer of the Firm of, etc.)

the party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to affix the bid price of affiant or of any other bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other bidder, or to secure any advantage against the Sanford Housing Authority or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

Signature of: _____

Name of Bidder if Bidder is an Individual

Name of Partner if Bidder is a Partnership

Name of Officer if Bidder is a Corporation

INSTRUCTIONS FOR AFFIDAVIT OF NON-DEFAULT

This form must be signed by all principals who will work on this contract. Principals may all use, sign, and file the same form or they may file separate forms.

Principals include all individuals, joint ventures, partnerships, corporations, trusts, nonprofit organizations or any other public or private entity that will participate in the contract as a prime contractor.

In the case of partnerships, all general partners (regardless of their percentage interest) and limited partners having a 25 percent or more interest in the partnership are considered to be principals. In the case of public or private corporations or governmental entities, principals include the president, vice president, secretary, treasurer and all other executive officers who are directly responsible to the board of directors, or any equivalent governing body, as well as all directors and each stockholder having a 10 percent or more interest in the corporation.

Exception for corporation - All principals must personally sign the certification. If, however, a public agency is a principal, all of its officers, directors, commissioners, trustees and stockholders with 10 or more of the common (voting) stock need not sign personally if they all have the same record of report. Only the officer who is authorized to sign for the corporation or agency must personally sign the certification. However, any person who has information to report which is substantially different from that of his or her organization must report that activity on this form and sign his or her name.

If you cannot certify and sign the certificate as it is printed because some statements do not correctly describe your record, then use a pen and strike through those parts that differ with your record, and sign that part you permitted to remain and which does describe you or your record.

Attach a signed explanation of the terms you have struck out on the certification and report the facts of your correct record. Item (e) above relates to felony convictions within the past 10 years. A felony conviction will not cause your participation to be disapproved unless there is a criminal record or other evidence that your previous conduct or method of doing business has been such that your participation in the project would make it an unacceptable risk.

AFFIDAVIT OF NON-DEFAULT

A F F I D A V I T

(Prime Proposer)

STATE OF _____:

COUNTY OF _____:

_____, being duly sworn according to law,
deposes and says:

1. That he/she is _____ (a partner/officer of the
firm of _____),
the party making the foregoing Proposal or Proposals.

2. He/she further certifies as follows:

- a. that all the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith;
- b. that for the period beginning 10 years prior to the date of this certification, and except as shown on the attachment, I have not experienced defaults or noncompliance under any contract for the U. S. Department of Housing and Urban Development, or any other governmental agency with which I have contracts;
- c. to the best of my knowledge there are no unresolved findings raised as a result of HUD audits, management reviews or any other governmental investigations concerning me or work under any of my contracts;
- d. there has not been a suspension or termination of payments under any HUD contract in which I have had a legal or beneficial interest attributable to my fault or negligence;
- e. I have not been convicted of a felony and am not presently, to my knowledge, the subject of a complaint or indictment charging a felony. (A felony is any offense punishable by imprisonment for more than one year, but does not include any offense classified as a misdemeanor under the laws of a State and punishable by imprisonment of two years or less.);
- f. I have not been suspended, debarred or otherwise restricted by any Department or Agency of the Federal government, any State government, the City of Sanford, NC, or the Sanford Housing Authority from doing business with such Department or Agency;

- g. I have not defaulted on an obligation covered by a bond and have not been the subject of a claim under any fidelity bond;
- h. all the names of the parties known to me to be principals in this contract in which I propose to participate are included on resumes submitted with this proposal;
- i. to my knowledge I have not been found by HUD or the State of North Carolina to be in noncompliance with any applicable civil right laws;
- j. I am not a Member of Congress or a Resident Commissioner or otherwise prohibited or limited by law from contracting with the Sanford Housing Authority;
- k. I am not an officer or employee or commissioner of the Sanford Housing Authority who is prohibited or limited by law from contracting with SHA; and
- l. statements above (if any) to which I cannot certify, have been deleted by striking through the words with a pen. I have initialed each deletion (if any) and have attached a true and accurate signed statement (if applicable) to explain the facts and circumstances which I think help to qualify me as a responsible principal in this project.

By: _____
Signature of Individual if the Proposer is an Individual

Signature of Partner if the Proposer is a Partnership

SUBSCRIBED AND SWORN BEFORE ME
ON THIS THE _____ DAY OF _____, 201__.

NOTARY PUBLIC

My Commission Expires:

Contractor Affidavit under General Assembly of NC **House Bill 786 G.S. §143-48.5; G.S. 147-33.95**

By executing this affidavit, the undersigned contractor verifies its compliance with **G.S. §143-48.5; 147-33.95.** stating affirmatively that the individual, firm or corporation which is engaged in the physical performance of services on behalf of Sanford Housing Authority has registered with, is authorized to use and uses the federal work authorization program commonly known as E-Verify, or any subsequent replacement program, in accordance with the applicable provisions and deadlines established in **G.S. §143-48.5; 147-33.95.** Furthermore, the undersigned contractor will continue to use the federal work authorization program throughout the contract period and the undersigned contractor will contract for the physical performance of services in satisfaction of such contract only with subcontractors who present an affidavit to the contractor with the information required by **G.S. §143-38.5; 147-33.95.** Contractor hereby attests that its federal work authorization user identification number and date of authorization are as follows:

Federal Work Authorization User Identification Number

Date of Authorization

Name of Contractor

Name of Project

Name of Public Employer

I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, _____ 201__ in _____ (city), _____ (state).

Signature of Authorized Officer or Agent

Printed Name and Title of Authorized Officer or Agent

SUBSCRIBED AND SWORN BEFORE ME
ON THIS THE _____ DAY OF _____, 201__.

NOTARY PUBLIC

My Commission Expires:

Instructions to Offerors Non-Construction

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing



- 03291 -

1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and
- (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show **the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.**

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

Certification for a Drug-Free Workplace

U.S. Department of Housing
and Urban Development

Applicant Name

Program/Activity Receiving Federal Grant Funding

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction; e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drugfree workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here ☐ if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.

(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Signature	Date
X	

form HUD-50070 (3/98)
ref. Handbooks 7417.1, 7475.13, 7485.1 & .3

General Conditions for Non-Construction

U.S. Department of Housing and Urban

Contracts

Development Office of Public and Indian Housing

Section I – (With or without Maintenance Work)

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 3/31/2010)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) **Non-construction contracts** (without maintenance) greater than \$100,000 - use Section I;
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 - use Section II; and
- 3) **Maintenance contracts** (including nonroutine maintenance), greater than \$100,000 – use Sections I and II.

Section I - Clauses for All Non-Construction Contracts greater than \$100,000

1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or

otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.

- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a proposal submitted before final payment of the contract.
- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for

the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.

- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

4. Examination and Retention of Contractor's Records

- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to: (i) appeals under the clause titled Disputes; (ii) litigation or settlement of claims arising from the performance of this contract; or, (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.

- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
 - (i) Award of the contract may result in an unfair competitive advantage; or
 - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.

- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.
- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

15. Limitation on Payments to Influence Certain Federal Transactions

- (a) Definitions. As used in this clause:
- "Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).
- "Covered Federal Action" means any of the following Federal actions:
- (i) The awarding of any Federal contract;

- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or

possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

- (c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:
- (i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and
 - (ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.
- (e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the

Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.

- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not

filled to circumvent the contractor's obligations under 24 CFR Part 135.

- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

22. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

AFFIRMATIVE ACTION PLAN

I. General Statement

The Sanford Housing Authority will select contractors and business concerns that are in compliance with the appropriate equal opportunity employment laws the provisions of Section 3 of the Housing and Urban Development Act of 1968, and Executive Order 11246.

A prime contractor or subcontractor who signs a contract on a Federal or federally-assisted construction project assumes the obligation to take whatever affirmative actions are necessary to assure equal employment opportunity in all aspects of employment, irrespective of race, color, creed, or national origin. It is expected that a contractor will carry out that part of his contract pertaining to equal employment opportunity with the same amount of thought and action as he will any other part of the contract.

The Sanford Housing Authority hereafter referred to as "Authority" will review contract bids from all contractors, to determine whether the bidder has met the requirements of the Affirmative Action Program. Compliance will be administered through the Authority's Equal Employment Opportunity Officer.

By submitting a bid, the Contractor or subcontractor certifies that he will comply with the requirements of this policy and shall make this affirmative action policy apart of his project specifications.

For the purpose of the specifications the following terms shall have the following meanings:

- a. "Affirmative Action" - procedures which establish hiring and employment goals, timetables, and practices to be implemented, with good faith efforts, for minority group members.
- b. "Minority Group Members" - persons who are Black, Spanish surnamed Americans, American Indians, American Orientals and females.

II. Implementation

- a. The Sanford Housing Authority plans to implement its goals through several means. The Housing Authority's procurement policies require competitive bidding for most contracts; however, whenever this requirement is not applicable and with contracts that would normally be negotiated, the contracts that would normally be negotiated, the Sanford Housing Authority intends to contract with small, local businesses, to the greatest extent feasible.
- b. In the development of low rent public housing projects, the contractor or subcontractor in hiring shall make every effort to employ persons residing within the geographical area in order to insure that persons employed in the project will be brought into the permanent construction industry labor force.
- c. The contractor and/or subcontractor shall not discriminate against employees and applicants for employment on the grounds of race, color, religion, sex or national origin.

- d. The contractor shall assure the Sanford Housing Authority that the top management of the company will exert positive efforts to assure equal opportunity in employment as required by this Affirmative Action Policy.
- e. The contractor will submit to the Sanford Housing Authority upon request, periodic progress reports showing what action has been taken to assure continuing compliance with this Affirmative Action Policy.
- f. The contractor or subcontractor shall notify the Sanford Housing Authority at the time of bid submission the name and title of their appointed equal employment opportunity officer in order that a focal point between the contractor or subcontractor and the Sanford Housing Authority may be established to carry out the provisions of this policy.

The contractor or subcontractor is expected to make maximum use of apprenticeship and other training to help equalize opportunity for minority persons, taking appropriate steps such as:

- a. Sponsoring and assisting minority youths as well as others to enter pre-apprentice and apprentice training, and making such training available to the maximum extent within their companies.
- b. Actively encouraging minority employees as well as others to increase their skills and job potential through participation in training and education programs, and helping to assure that such programs are adequate and are in fact available to minority persons.
- c. Using as many apprentices and summer and part-time trainees - particularly from minority groups as work needs will permit.
- d. Assisting lower paid employees to exert their potential with respect to any of the higher paid trades to qualify themselves for such trades.

III.Goals:

It is not the intent of the Sanford Housing Authority to require of itself or of contractors or of subcontractors engaged by the Authority, quotas per se in the placement of minority persons, past experiences have proven that this is in fact detrimental to the purpose of an Affirmative Action program. It is however the intent of this policy to assist in the implementation of a good faith effort in order that an ultimate goal of 50 percent employment of minority persons be realized in the trade groups.

The contractor or subcontractor will in seeking to achieve this ultimate goal make every good faith effort to meet the following employment ranges:

The Sanford Housing Authority will assist all contractors and subcontractors in implementing the Affirmative Action Plans through all feasible means including but not limited to:

1. Assisting the contractor in contacting lower income residents needed in the construction of the project.
2. Acting as a focal point for hiring, with a list of local subcontractors and suppliers.

IV. Compliance

Each prime contractor shall be responsible for the performance of his subcontractors for the implementation of this Affirmative Action Policy during the performance of the contract. Whenever the contractor subcontracts a portion of the work on a project, the subcontract shall bind the subcontractor to the obligations contained herein to the full extent as if he were the contractor.

In the event of failure by a contractor to meet his minority manpower commitments specified herein he shall be given an opportunity to demonstrate that he has made every good faith effort to meet his commitments. In any proceeding that such good faith is in issue, all of the actions of the contractor in seeking to comply with these requirements shall be reviewed and monitored by the Equal Opportunity Officer.

1. The Equal Opportunity Officer will issue a written Alert Notice to a contractor whenever, in his/her opinion, a breach of these conditions appear to be developing.
2. If the Alert Notice is not removed by a correction of the deficiencies within ten (10) days, the Officer shall follow up the Alert Notice by issuing a written Violation Notice. Upon issuance of such notice, the contractor will have seven (7) working days to remove the violation.
3. Either or both notices may be removed if the contractor meets his obligations, or if he presents a satisfactory explanation in writing as to why such compliance is impractical or impossible.
4. Failure to satisfactorily remove a Violation Notice shall be heard by the Executive Director, and a determination by him that the contractor is not in compliance with this policy shall result in a recommendation of sanctions by the Executive Director to the Commissioners, such recommendation shall be accepted by the Commissioners unless it is deemed unreasonable. Such sanctions may include any or all of the following:

1. The withholding of contract payments.
2. The termination or suspension of the contract.
3. Requiring the contractor to enforce his obligation under this contract with subcontractors, either by suit at law or in equity or arbitration, whichever is appropriate.

It shall be the responsibility of the Executive Director of the Sanford Housing Authority to ensure that this Affirmative Action Plan is enforced and that a continuous evaluation of compliance with the goals contained within are carried out.

Sanford Housing Authority Audit Services RFP #15-005

SUPPLEMENTARY INSTRUCTIONS TO BIDDERS

1. Forms to be returned for compliance with the formal bid procedure:

Form of Bid

Non-Collusive Affidavit

Affidavit on Non-Default

Certifications and Representations of Offerors Non-Construction

Certification of a Drug-Free Workplace

CPA License for the State of North Carolina

E-Verify

2. Each bid must be submitted in a sealed envelope, showing the bid title, date and time of opening on the front of the envelope.

**RFP#15-005 Audit Services
March 11, 2015 4:00PM, EDST**

3. All bids must be signed by the authorized official of the firm. Bids may be rejected if they show any omissions, alterations or irregularities of any kind.
4. All questions should be referred to Shannon McLean via email only to smclean@shanc.org. Deadline for questions will be **April 17, 2015, EDT**. The answers to questions received will be posted on April 20, 2015 by the end of the business day. All questions and answers will be posted on the on www.shanc.org.

FORM OF BID RFP#15-005 AUDIT SERVICES

TO: Sanford Housing Authority
1000 Carthage Street
Sanford, North Carolina 27330

Gentlemen:

1. The undersigned, having familiarized (himself) (themselves) with the local conditions affecting the cost of the work, and with the Specifications (including Request for Proposal, Instructions to Offerors Non Construction, Certifications and Representations of Offerors Non Construction Contract, Supplementary Instructions to Bidders, this bid, the form of Non-Collusive Affidavit, the form of Contract, the General Contract Conditions Non-Construction – Section I, the Affirmative Action Plan, the Bid Summary, and the Addenda if any thereto), as prepared by the Sanford Housing Authority, and on file at www.shanc.org; hereby proposes to furnish Annual Audit Services for the Sanford Housing Authority as described in the Specifications; all in accordance therewith.

1. Base Bid _____

Dollars _____

2. In submitting this bid, it is understood that the right is reserved by the Sanford Housing Authority, North Carolina to reject any and all bids. If written notice of the acceptance of this bid is mailed, telegraphed or delivered to the undersigned within 30 days after the opening thereof, or at any time thereafter before this bid is withdrawn, the undersigned agrees to execute and deliver a contract in the prescribed form and furnish the required bond within ten (10) days after the contract is presented to him for signature which Contract shall incorporate all of the requirements contained in the plans and specifications above described.

3. Bid Security in the sum of Not Applicable Dollars (\$ _____) in the form of _____ is submitted herewith in accordance with the Specifications.

4. Attached hereto is an affidavit in proof that the undersigned has not entered into any collusion with any person in respect to this proposal or any other proposal or the submitting of proposals for the contract for which this proposal is submitted.

5. The bidder represents that he () has, () has not, participated in a previous contract or subcontract subject to the equal opportunity clause prescribed by Executive Orders 10925, 11114, or 11246 or the Secretary of Labor; that he/she () has, () has not, filed all required compliance reports; and that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained prior to subcontract awards. (The

above representation need not be submitted in connection with contracts or subcontracts which are exempt from the clause.)

6. **Certification of Nonsegregated Facilities.** By signing this Form of Proposal, the bidder certifies that he/she does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he/she does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The bidder agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he/she has obtained identical certifications from proposed subcontractors for specific time periods) he/she will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause: that he will retain such certifications in his files; and that he/she will forward a notice to his proposed subcontractors as provided in the Instruction to Bidders.

Note: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Date _____

Name of Bidder

Official Address

License No.

By _____

Title _____

Email: _____

Contact Information: _____

NOTICE TO PROCEED

_____ Name of Contractor	Contract No. _____
_____ Street Address	Date: _____
_____ City, State and Zip Code	Project No _____
	_____ Location:

Gentlemen (or Dear Sir):

Pursuant to the terms of your contract, dated _____, 20s___ for providing Audit Services for the Sanford Housing Authority, you are hereby notified to commence work there under at the start of business on _____, 20___. The time for Completion set forth in the contract is _____ calendar days, including the starting day, which establishes _____, 20___ as the completion date.

Please note carefully and fulfill the requirements of the General Conditions relative to the submittal and approval of Workmen's Compensation and Manufacturers' and Contractors' public liability insurance.

You are informed that Mr/Mrs _____ has been appointed Contracting officer and is duly authorized to administer you contract for, and in the name of, this the Sanford Housing Authority.