**Instructions for use of the URP Procurement and Disbursement Policy**

1. This is a very basic document. You can use it if you do not have applicable procurement and disbursement policies already in place for your organization. Otherwise, please modify this document to conform to your actual procedures as they specifically apply to URP. Before submitting the final document to us for PAD approval, be sure that your organization’s authority has approved its content.

2. To facilitate reduced NCHFA approval times for content changes your organization makes to the policy, use green or other highlighting color to show changes to your organization’s assigned NCHFA case manager.

3. Date submitted: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

4. Person for NCHFA to contact concerning revisions: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

5. Provide any notes to your NCHFA case manager below:

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

6. When adopting (getting your local signed approval for) this policy:

1. Please review to ensure that the policy mirrors the way that your organization functions.
2. Change all personnel, location, income and date references as needed, at minimum, and delete all highlighting.
3. Once all adjustments are made and your NCHFA case manager has approved your URP Policy, delete this page prior to adoption.

**City of McGillicuddy**

**NCHFA Updates**

Last Updated: 2/26/24

Changes Made: Added RRP language to Section 2 under “Procurement Policy” and standardized terms Approved Contractor Registry and “the Registry.”

 **Procurement and Disbursement Policy**

### URGENT REPAIR PROGRAM

## PROCUREMENT POLICY

1. To the maximum extent practical, the City of McGillicuddy (the City) promotes a fair, open and competitive procurement process as required under the North Carolina Housing Finance Agency’s Urgent Repair Program (URP). Bids are invited from Contractors who are part of the City’s Approved Contractors Registry (the Registry). To be on the Registry, a contractor must complete an application, have their recent work inspected, reviewed and approved by the Rehabilitation Specialist and submit proof of insurance. Any contractor listed with and approved by the City and in good standing will receive automatic approval status on the Registry.
2. At least three eligible contractors on the City’s Registry shall be invited to bid on each job and the lowest responsive and responsible bidder shall be selected for the contract. “Responsive and responsible” means (a) the contractor is deemed able to complete the work in a timely fashion, (b) the bid is within 15%, in either direction, of the City’s cost estimate, and (c) there is no conflict of interest (real or apparent). Additionally, all contractors working on pre-1978 units must be Renovation, Repair and Painting Rule (RR&P) Certified Renovators working for Certified Renovation firms; only those contractors with both firm certificate and the qualified renovator’s letter on file will be invited to bid on pre-1978 homes.
3. Although bid packages may be bundled for multiple job sites, the bids for multiple job sites shall be considered separate and apart when awarded and shall be awarded to the lowest responsive and responsible bidder(s) for each job site.
4. Bid packages shall consist of an invitation to bid, work write up(s) and bid sheet(s) for each job.
5. Bids must include a cost-per-item breakdown with line-item totals equaling the submitted bid price. Discrepancies must be reconciled prior to a contract being awarded.
6. Any change to the original scope of work must be reduced to writing in the form of a change order to be agreed upon and signed by all parties to the original contract and two representatives of the City. The change order must also detail any changes to the original contract price.
7. No work may begin prior to a contract being awarded and a written order to proceed provided to the contractor. In addition, a pre-construction conference and “walk thru” shall be held at the work site prior to commencement of repair work.
8. The City reserves the right to reject any or all bids at any time during the procurement process.
9. In the event of a true emergency situation, the City reserves the right to waive normal procurement procedures in favor of more expedient methods, which may include seeking telephone quotes, faxed bids and the like. Should such methods ever become necessary the transaction will be fully documented.
10. All sealed bids will be opened publicly at a time and place to be announced in the bid invitation. All bidders are welcome to attend.

**DISBURSEMENT POLICY**

1. All repair work must be inspected by (a) the City’s Rehabilitation Specialist, and (b) the homeowner prior to any payments to contractors. If all work is deemed satisfactory and all other factors and written agreements are in order, payment shall be issued upon presentation of an original invoice from the contractor. Contractor should allow 21 business days for processing of the invoice for payment.
2. If any of the work is deemed unsatisfactory, it must be corrected prior to authorization of payment. If the contractor fails to correct the work to the satisfaction of the City’s Rehabilitation Specialist, payment may be withheld until such time the work is satisfactory. (Contractors may follow the City’s Urgent Repair Program Assistance Policy if a dispute occurs; however, contractors shall abide by the final decision as stated in the policy).
3. The City assures, through this policy, that adequate funds shall be available to pay the contractor for satisfactory work.
4. All contractors, sub-contractors and suppliers must sign a lien waiver prior to disbursement of funds.

The Procurement and Disbursement Policies are adopted this the \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_20\_\_\_.

**City of McGillicuddy**

BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ATTEST: ­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**CONTRACTORS STATEMENT:**

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

BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

COMPANY NAME: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

WITNESS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_