

CHAPTER 8. FIELD CONTRACTING

- 8-1 PURPOSE. This chapter establishes policies and procedures particular to the functions of the Department's field contracting activities.
- 8-2 FIELD CONTRACTING OPERATIONS.
- A. General. HUD's field procurement is accomplished by the Field Contracting Operations (FCOs), which are located within the three ASCs:
1. ASC 1 (New York) for the New England, New York-New Jersey, Mid-Atlantic, and Midwest areas;
 2. ASC 2 (Atlanta) for the Southeast-Caribbean and Southwest areas; and,
 3. ASC 3 (Denver) for the Great Plains, Rocky Mountain, Pacific-Hawaii, and Northwest-Alaska areas.
- B. Authority and Responsibility.
1. Each FCO is a contracting activity as defined at FAR 2.101. The FCOs are authorized to conduct all contract actions in support of HUD's field programs within their geographic service areas, except that all procurements of IT resources must have prior approval of OIT in Headquarters (see section 6-4). The FCOs may also conduct contract actions for the OCPO or each other in accordance with paragraphs C and D below.
 2. Each FCO Director (FCOD) is the HCA (see FAR 2.101) for the FCO. The FCOD is the senior procurement manager and principal procurement authority for the ASC, and supervises all FCO personnel. The Director is designated as a Contracting Officer and may redelegate that authority in accordance with HUD's current published delegations of contracting authority. The FCOD also designates the Small Business Specialist for the FCO jurisdiction (see paragraph 3-3.A.2).
 3. The FCOD reports directly to the ASC Director.
- C. Assignments from the OCPO to the FCOs. The CPO may delegate the award and/or administration of contract actions originating in Headquarters to any of the FCOs. OCPO management will coordinate the delegation with the cognizant ASC Director(s). The assignment may be made via memorandum or email. The FCO's authority for a delegated action may be total or limited. The delegation will indicate the degree of authority. The types of actions that may be transferred

to the FCO are not limited. In deciding whether to delegate a contract action, the OCPO will consider:

1. The benefit to the area or programs served by the FCO;
2. Any increased efficiency (e.g., faster award) or effectiveness (e.g., location of the prospective contractor within the ASC area) expected to be achieved; and,
3. The availability of FCO resources to execute and/or administer the action.

D. Assignments Between FCOs. An FCOD may transfer a contract action arising in his/her jurisdiction to another FCO for award and/or administration if such a transfer is acceptable to the intended receiving FCOD and the cognizant ASC Directors. The CPO must approve any reassignment of a contract action previously assigned to an FCO by the OCPO.

8-3 PROCUREMENT SUPPORT ACTIVITIES. Each FCO is responsible for:

- A. Developing internal procedures governing contract award and administration. Such direction may supplement OCPO procedures only as needed to accommodate local processes, but may not amend Departmental procurement policies and procedures without the written approval of the CPO or Deputy CPO;
- B. Providing training and technical assistance (see also paragraph 1-4). As requested, and to the extent practicable given available resources, FCOs shall provide training and technical assistance to:
 1. FCO personnel. Training of FCO personnel shall have priority over the training or technical assistance provided in B.2 below. The OCPO or another FCOD may request an FCO's assistance in providing such training to personnel in other FCOs. Such assistance is subject to the approval of the cognizant ASC Director; and,
 2. Program office employees within the FCO jurisdiction who are involved in contract award or administration (e.g., GTRs, GTMs). As requested, and subject to availability of FCO staff resources, FCOs shall also provide procurement training to program personnel who monitor, or are otherwise involved in procurement conducted by HUD funding recipients (e.g., Public Housing Agencies, CDBG recipients, etc.), particularly to enable HUD program staff to conduct the procurement system reviews in paragraph F below;
- C. Conducting staff assistance visits. The FCOD may provide on-site assistance to remotely located FCO staff or offices whenever he/she determines that on-site assistance is needed or desirable and sufficient resources (e.g., travel funds) are

available. Staff assistance visits should be combined with any reviews of remote offices (see paragraph D below) to the degree possible;

- D. Evaluating the contracting practices of the FCO. In accordance with paragraph 1-4.B.1.d, the CPO may require the FCODs to evaluate their contracting activities. These reviews shall focus on improving performance through identifying and providing assistance needed to achieve improvement.
1. The FCO shall use review standards issued by the CPO (see paragraph 1-4.B.1.c).
 2. The reviews shall determine if the FCO is in compliance with applicable Federal and Departmental procurement rules, policies, and procedures and, if not, identify additional measures (e.g., corrective actions, controls, direction, training) that are needed to ensure compliance.
 3. As requested by the CPO, and subject to the concurrence of the cognizant ASC Director, an FCO may conduct or assist in conducting procurement reviews of other contracting activities (e.g., other FCOs).
 4. The FCODs shall also review on a periodic basis the contracting performed by their own personnel, including all out-stationed FCO personnel, and other administrative personnel outside the FCO with delegated contracting authority (e.g., ARD personnel authorized to make simplified acquisitions). The FCODs shall establish their own schedules for, and determine the frequency and method of these reviews;
- E. Providing liaison with and advocacy of small businesses with regard to contracting opportunities. The SBS (see paragraph 3-3.A.2) is responsible for this function; and,
- F. Providing oversight of the contracting practices of HUD funding recipients, including:
1. Procurement System Reviews. As specifically requested by program offices or funding recipients (e.g., Public Housing Agencies, CDBG block grant recipients), the FCO may also conduct reviews of procurement activities and functions of those recipients on behalf of the funding office. These reviews are to determine if the funding recipient's systems meet the procurement standards prescribed in HUD's regulations and policies governing funding recipient procurement. Requests from recipients for such reviews shall be coordinated with the cognizant program office. The reviews shall be conducted in accordance with the "HUD Monitoring Desk Guide." The principal rules and policies governing HUD funding recipients include:

- a. 24 CFR Part 84, “Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-profit Organizations” (e.g., Resident Management Corporations);
 - b. 24 CFR Part 85, “Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments” (e.g., Public Housing Agencies, cities receiving Community Development grants, etc.);
 - c. 24 CFR Part 135 for Section 3 requirements;
 - d. 24 CFR 570.502 for Community Development Block Grant recipients;
 - e. 24 CFR 941 for Public Housing Agencies and Public Housing Development program grantees;
 - f. 24 CFR 954 for Indian Tribes;
 - g. 24 CFR 963 for Public Housing Contracting with Resident-owned Businesses;
 - h. 24 CFR 964.200 for the Tenant Participation and Tenant Opportunities in Public Housing programs;
 - i. 24 CFR 968 for Public Housing Modernization;
 - j. 24 CFR 1003 for Indian tribes and Alaska Native Villages for Community Development Block Grants (ICDBG); and,
 - k. HUD Handbook 7460.8, “Procurement Handbook for Public and Indian Housing Authorities.”
2. Follow-up Assistance and Training. As requested by the cognizant program office, and subject to the approval of the ASC Director and availability of FCO resources, the FCO may provide technical assistance and procurement training to recipients. Recipients whose procurement systems and/or practices are found to be deficient should be given top priority for such assistance.