

# CDBG Financial Management and Procurement

## Discussion Questions

*These questions are for discussion at the end of the workshop. They may be shared in small group or large group format.*

1. Match the OMB Circular with the appropriate organization(s):
  - a. A-87                      1. State, Local Governments and Nonprofit Organizations
  - b. A-21                      2. State, Local Governments and Indian Tribal Governments
  - c. A-133                     3. Nonprofit Organizations
  - d. A-122                    4. Educational Institutions
  
2. What HUD regulation governs procurement for CDBG Entitlement communities? What about for the State CDBG program?
  
3. Under what conditions can sole source procurement be used?
  
4. In a sealed bid procurement, can the contract be awarded to a firm that did not provide the lowest bid? Under what circumstances?
  
5. If the CDBG State subgrantee is a local jurisdiction, what is the guiding document on cost principles?
  
6. What website should you use to determine if a vendor is debarred from doing business with HUD?

# Answer Key – Financial Management and Procurement Discussion Questions

1. Match the OMB Circular with the appropriate organization(s):
  - a. A-87                      1. State, Local Governments and Nonprofit Organizations (c)
  - b. A-21                      2. State, Local Governments and Indian Tribal Governments (a)
  - c. A-133                    3. Nonprofit Organizations (d)
  - d. A-122                    4. Educational Institutions (b)
  
2. What HUD regulation governs procurement for CDBG Entitlement communities? What about for the State CDBG program?

24 CFR Part 85 applies to Entitlement communities. State CDBG programs are subject to the regulations in 24 CFR Part 570.489, but may choose to follow Part 85, or sections thereof.
  
3. Under what conditions can sole source procurement be used?

Sole source procurement can be used when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals, AND one of the following circumstances applies:

  - The item is available only from a single source;
  - The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
  - After solicitation of a number of sources, competition is determined inadequate; and
  - The awarding agency authorizes noncompetitive proposals.
  
4. In a sealed bid procurement, can the contract be awarded to a firm that did not provide the lowest bid? Under what circumstances?

In a sealed bid procurement, a contract may be awarded to a firm that did not provide the lowest bid if the firm that provided the lowest bid was non-responsive or there were reference check problems.
  
5. If the CDBG State subgrantee is a local jurisdiction, what is the guiding document on cost principles?

OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments
  
6. What website should you use to determine if a vendor is debarred from doing business with HUD?

<http://epls.gov/>