

**CONTRACT AND GRANT PROCEDURES
APPLICABLE TO VESTED AND SEIZED IRAQI PROPERTY AND DEVELOPMENT
FUND FOR IRAQ**

Contract File Requirements

APPENDIX A

Micro Purchases (\$5,000 or less)

Contract file must include:

- Notes or documentation reflecting competition efforts, if any, including a written summary of oral solicitations if award is based on an oral solicitation.
- The basis for the award decision if other than lowest price.
- Material Contract terms (Who is to do What, When, and for How much?)
- Information demonstrating the outcome (such as receipts, delivery notices, notes of the contracting officer regarding contractor performance for services).

Micro Purchase files will be maintained for 1 year following final contract payment.

Small Purchases (\$5,000.01 - \$500,000)

Contract file must include:

- Documentation of oral solicitations made for contracts less than \$25,000, written solicitations for contracts from \$25,000/01 to \$500,000.
- Evidence of competition, such as posted notices (including the location and length of time posted), direct solicitations, advertisements, posting on web pages.
- For solicitations in which only one source is solicited (i.e., sole-source contract awards), a written justification prepared in accordance with this Appendix.
- Evaluation Criteria, if applicable.
- Significant correspondence with vendors.
- Notification to successful vendor.
- Written contract containing required terms for agreements exceeding \$10,000 or a summary of material terms for agreements less than \$10,000.
- Invoices for progress payments and verification of performance including notes of inspections or monitoring where appropriate.
- Small Purchase Files will be maintained for 1 year following final contract payment.

Large Purchases (more than \$500,000)

Documentation will be sufficient to enable review by the Contract Award Committee prior to award and then by auditors during the period of contract performance and thereafter. Files will include:

- A statement of need for the requirement to be addressed. This may be a request for services from the agency requesting the contract.
- Evidence of Competition, such as posted notices (including the location and length of time posted), direct solicitations, advertisements, posting on web pages, or other means used to publicize the opportunity to bid.

- All fully eligible responses from vendors to allow the Contract Award Committee to review the contracting options to ensure the proposed contract award is based upon sound business judgment.
- For contracts in which only one source is solicited, a written justification prepared in accordance with this Appendix.
- Contract award Evaluation Criteria. Price must be one of the contract evaluation criteria. Other criteria may include experience, prior contract performance, technical expertise, and delivery terms.
- Memorandum for record memorializing the action by the Contract Award Committee acting to select the successful vendor. The MFR should identify board members, the bids considered, the criteria used, and the selected vendor.
- Significant correspondence with vendors.
- Notification to successful vendor.
- Written contract containing required terms.
- Contract Modifications and Amendments.
- Contract performance and outcome information including notes of inspections or monitoring where appropriate.
- Large Purchase Contract files will be maintained for a period of 3 years following final contract payment.

Sole-Source Contracting Justification and Approval Requirements

- Contracting Officers must document compelling reasons justifying sole source contracting in all contracts. Compelling reasons that may be considered when justifying sole-source contracting:
 - There is only one responsible source and no other supplies or service will satisfy requirements. This may include unacceptable delays in delivery or other unique circumstances, such as intellectual property rights or compatibility with existing systems.
 - Unusual or compelling urgency to satisfy requirements. This justification will only be used in cases where competition would represent a serious risk to agency objectives. Failure to accurately forecast agency needs is a not a sufficient justification.
- The justification must demonstrate the circumstances for forgoing adequate competition. If the circumstance is urgent and compelling, specifically explain the time constraints. Identify unique capabilities that are possessed by only one contractor.
- Justifications will include a description of efforts to obtain competition.
- Justifications will include facts supporting the Contracting Officer's determination that a fair and reasonable price was obtained.
- Justifications for sole-source awards in excess of \$500,000 must be approved by the Contracting Officer's Appointing Authority or the Head of Contracting Authority, CPA.

Grants

Files will contain a statement of the community need to be addressed and intended purposes of the grant. Generally, the grant application is sufficient. The file will also contain outcome information including as assessment of the community impact of the grant.

Special Requirements for Construction Projects

- Maintain engineering drawings and approvals of plans until contract performance is complete.
- Cost Estimates by independent engineers should be obtained for Large Purchase projects to assist in the assessment of fair and reasonable value.
- Fixed-priced arrangements are preferred for construction contracts.
- Certificates of Completion.
- Change Orders and Amendments will be fully documented.