

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides the alternative requirement that permits Emergency Solutions Grants (ESG) Program recipients to deviate from applicable procurement standards when procuring goods and services to prevent, prepare for, and respond to coronavirus.

Strategies to Expedite Procurement

These alternative procurement requirements are meant to ensure that recipients allocate their ESG-CV funds as quickly as possible to address the public health and economic crisis caused by COVID-19. States, local governments, and territories should take immediate steps to streamline procedures for funding their subrecipients responding to coronavirus. This document highlights standard practices to expedite procurement processes.

Important note: Federal procurement requirements **still apply** to subrecipients; the flexibility to deviate from applicable procurement standards applies only to ESG recipients.

Step 1—Understand Need:

Establish a short survey or issue requirements for Letters of Intent to understand need across your jurisdiction. Ask potential subrecipients for information about ongoing preparedness needs, homeless prevention activities, re-housing strategies, and eligible costs that have already been incurred for COVID-19 response efforts.

Step 2—Review Local Procurement Standards:

Determine which components of your current procurement strategy are required versus optional. As required by the ESG-CV Notice, establish alternative written procurement standards and maintain documentation on the standards used if choosing to deviate from current procurement requirements. Documentation is critical to safeguard against fraud, waste, and abuse.

- Identify whether state or local authorities have suspended traditional procurement requirements or instituted emergency procurement procedures related to their COVID-19 response.
- Reevaluate procurement policies and procedures to determine which steps can be eliminated or adjusted to expedite the ESG-CV awards process.

Step 3—Determine Approach:

When selecting an approach, consider not only the most expedient process but also the strategy that will:

- 1) Target funding where it is needed most.
- 2) Fund providers best equipped to effectively meet your jurisdiction's re-housing needs.

Applicable Procurement Standards

- [2 CFR §§ 200.317–200.326](#)
- [24 CFR §§ 576.407\(c\) and \(f\)](#)

Remember that state and local procurement requirements still apply unless modified locally.

Funding Distribution Plan	Strategy	Applicability	Process	Funding Criteria
Formula Funding	Equitably distribute resources to local eligible geographic areas or Continuums of Care (CoCs)	Typically utilized by recipients that serve many communities	Eligible subrecipients (subs), such as local CoCs, serve as pass-through entities and facilitate planning and project award funding	Formula awards are determined by transparent standards (e.g., homeless population, census, poverty indices)
Simplified Application Process	Demand response set up based on the jurisdiction’s pre-defined homeless needs (e.g., recipient identifies specific tasks to be completed with funding: rehousing out of a non-congregate hotel utilizing rapid rehousing)	Implemented by jurisdictions where procurement requirements have been eased and where the recipient works in close coordination with the CoC	Issue a request for qualifications for interested entities to determine a pool of subs for specified activities	The recipient issues program guidelines and policies and procedures for subs. Awards made based on community homeless needs are often tied to strategic plan priorities or disaster response goals
Emergency Procurement	Expediting existing procurement process put in place to distribute funds when a threat to public health, welfare, or safety exists	The recipient has identified components of the procurement process that can be eliminated	The recipient uses an existing emergency procurement process to distribute ESG-CV	Only parts of the procurement process identified as essential are required to be completed
Continuation Funding	Utilize established subs to carry out the recipient’s priorities	Existing subs have the capacity to take on the additional work required to effectively respond to rehousing needs	The recipient must establish funding needs and criteria for subs that currently receive funding	Establish criteria that can identify high-performing existing subs

Step 4—Consider Other Federal Guidelines:

If using ESG-CV to match other funding, review the applicability of those procurement standards to work that may also be charged to this grant.

Step 5—Update ESG-CV Policies and Procedures:

Document your ESG-CV procurement policies and decisions and outline steps for procurement in your ESG policies and procedures.