

Chapter two

procurement authority and administration of procurement function. Contents. We're gonna talk about the procurement policy an important document. We're gonna talk about the contracting officer who it is and you're probably gonna be surprised. We're gonna talk about the contracting officer's signature and obligation of funds and staff and training. Procurement policies. Your Housing Authority is required to have a procurement policy, that is in accordance with 2 CFR 200 317 through 326. Now that procurement policy, there is a sample included in appendix one of the HUD Procurement Handbook. I'm gonna give you some advice. When it comes to policies, if HUD issues a policy What I learned over a period of time is, rather than change stuff HUD gives me, I started using their policies for everything. Why not? I can still revise them, you know, take some stuff out, put some stuff in,

My advice is, make as little revisions or additions to it as possible. Let's talk about procedures. You are required to have procedures. There are recommendations in the HUD Handbook and other places, that it would be okay especially if you're a small agency to combine your policies and your procedures together in one document. Now, who is the contracting officer at your agency? Pursuant to the ACC with HUD, the executive director, not the board chair, not the person who carries the title of contracting officer, it's the executive director. He or she is responsible for everything that goes on there, especially in procurement whether you know it or not, you're responsible for everything done. However, you can delegate, not only can, you must delegate that.

When you pick something up, you are there by delegation from your executive director who is the contracting officer. So therefore, at that moment that you pick something up, that you signed for something, you are the contracting officer. You are acting in the contracting officers stead. Now sometimes EDs, we give people delegation in writing. And sometimes we just know that they're going there. Either way, ED, you're still responsible So I would make sure that you periodically have training sessions with them. I would most likely make sure that I have a procedure in place, That when you sign a piece of paper, a shipping slip, a receiving document, an invoice, what are the steps? You must read it and ensure the quantities are correct, that the items are correct. Now, I'll tell you something. The best people on my authority, typically were maintenance people for doing that correctly, why? Because they went and picked so much stuff up, that after a while, they got used to it and they knew what they were looking for They knew what they wanted. And they had to make sure because they're under pressure to get work orders done, and they can't come back to the store.

There just isn't time for that. So usually, maintenance was the most compliant for me We're always seeking the greatest overall value, sometimes that gets restricted because of the quotes or bids we do. But that is always our goal. Contracting officers signature and obligation of funds each procurement action, which is a contract a P.O. is a contract If you take a purchase order number to the vendor, do you do that? That's a contract. It's a contract without any rules, with conditions, then you're signing for the conditions on the invoice, but must be signed by an authorized individual. Does it have to be in writing? It does not. With the boss it can be verbal, that is fine, very bureaucratic to do.

Written allowances for people to go out and buy stuff. However, you must be authorized. Remember, we wanna teach everybody that when you sign something, you are legally committing the housing authority to obligating them to pay for those items. So you wanna make sure that what you're signing is the truth, meaning you've signed it, and what they've listed on there is the truth. Anytime we have a contract, it requires you to do certain things, and

it's gonna be listed in that contract. So, you're gonna wanna be sure to read the contract including the purchase order. Any action that could be misinterpreted as committing the PHA to purchase something, probably commit you to doing it. Do you ever watch the purchasing and contract shows on TV? Judge Judy, Judge Mathis, People's Court, yeah. Listen to those cases, even though it's not a real court Still listen to them. And you'll see that sometimes verbal contracts are enforceable. They're not very good. They put you at a lot of risk but sometimes they are. You know when they are enforceable, when there's a witness.