

## TxCDBG announcement: administrative services

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on behalf of

Texas Community Development Block Grant program <cdbg@lists.state.tx.us>

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## **TxCDBG Certified Administrator Test**

The 2024 Certified Administrator Test has been posted to the TDA website. As a reminder, grant administrators must complete the test on a regular basis to remain certified to receive grant or matching funds for grant administration services. This test ensures that grant administrators remain current on TxCDBG policies and procedures, including any changes made through the TxCDBG Project Implementation Manual. Prior certifications will expire and the new test must be completed for a current certification. The Test can be found HERE.

## Selection of Administrative Services for 2025 TxCDBG Applications

TDA has received several questions and concerns regarding grant administration services in advance of the 2025 TxCDBG application deadlines. For those communities intending to select a third-party grant administration services provider – including private vendors and organizations with interlocal agreements - here are a few clarifications and reminders:

- Requirements for various phases of the application and grant process:
  - Community Application (Phase 1) A certified grant administrator is neither required nor prohibited during this application phase.
  - Project Application (Phase 2) A certified grant administrator is not required; however, a
    grant application preparer with knowledge of the TxCDBG program is a critical project team
    member during this application phase.
  - Executed Grant Agreement Each grant must have a certified grant administrator that has successfully passed the most current Certified Administrator Test.
- A firm intending to submit a proposal for grant administration services must NOT have previously participated in any phase of the application or grant process for the same grant cycle.
  - Any individual/firm/organization that assists a community with any part of a specific Community Application or Project Application may not later be selected in a competitive procurement or interlocal agreement to provide grant administration or other services. This is considered a conflict of interest and no waivers are available.
  - This does not prevent any individual/firm/organization from providing general information about the TxCDBG program and the grant applications available, including directing the community to TDA's published resources.
- A firm intending to submit a proposal for grant administration services must NOT have participated in any way in the preparation of the Request for Proposals (RFP)to which it will respond.
  - TDA provides <u>written guidance for competitive procurement</u> and <u>sample RFP documents</u> that communities are welcome to use in developing the RFP. A potential respondent may direct a community to these resources.
  - A potential respondent may NOT modify the TDA sample documents or otherwise provide alternative scoring criteria or other documents to a community – this is considered participation in the RFP development.

- This restriction is important to ensuring a fair and open competitive process for all respondents.
- A firm responding to an RFP for grant administration services should provide a firm, fixed price.
  - The price included in the proposal must be evaluated as part of the selection process, and may be further negotiated once the selection is made and scope of work is finalized.
  - It is important that the price element of the proposal can be clearly evaluated, and federal
    procurement regulations prohibit percentage-of-cost contracting. Taken together, these
    principles clearly indicate that a fixed value(s) should be proposed for any administration
    services proposal.
  - Best practice:
    - Program Year 2025 applicants should provide instructions in the RFP that respondents develop their proposed price based on a grant application that requests the maximum funding allowable for the application cycle.
    - Proposals should specify a price in dollars.
    - Proposals that include a base price and additional services at an additional cost should include a not-to-exceed amount.
  - Future editions of the TxCDBG Project Implementation Manual will include a prohibition on percentage-based proposals for grant administration services.