

Competitive Bid Solicitation Process for Contracted Work

(For nonprofit grantees only)

1. Nonprofit grantees must attempt to obtain three bids before awarding a contract on a grant-funded project for services greater than \$10,000 and for construction work greater than \$25,000. This includes cumulative expenses over the project period.
 - Bid description must include the requirement to comply with §1771 of the State Labor Code, if applicable.
 - Bid description must include all required project elements based on the application - Project Selection Criteria proposal (if applicable), Grant Scope/Cost Estimate Form, and concept level site plan.
2. Nonprofit grantee provides each bidder (potential service provider/contractor) the same written invitation for bid describing the project work to be performed based on “Best value” (determined by price, quality of materials, equipment, and workmanship), and the required project elements based on the original application.
 - By signing the grant contract, the nonprofit grantee agreed to meet the specific objectives as described in the project application.
3. Solicit bids by contacting at least three potential service providers/contractors or by advertising a public invitation for bids, or a combination of both methods.
4. The nonprofit grantee’s Board of Directors evaluates the bids to determine which service provider/contractor will provide the best value and will meet project requirements. The evaluation process must ensure no conflict of interest between the service provider/contractor and the nonprofit grantee’s Board of Directors. The nonprofit grantee’s Board of Directors need not necessarily accept the lowest bid, but a reasonable justification for the decision must be recorded in writing.
5. The Board of Directors selects a service provider/contractor and awards a contract.
6. The nonprofit grantee must complete the [Public Contract Award Certification](#) (DPR 541) form and submit to OGALS with payment requests that include work requiring a competitive solicitation.
7. For audit purposes, the nonprofit grantee keeps records of steps 1 – 6 above.

Waiver of Competitive Bid Solicitation Requirement

To request a waiver of the three-bid process requirement, the non-profit grantee must send a written request to the project officer assigned to the grant. The request must be sent and/or signed by the authorized representative. The request must include an explanation of the circumstances necessitating the waiver and justification for why the competitive bid process cannot be followed.

- The waiver request may include “sole source” factors where only one service provider/contractor has the expertise to deliver the work.
- The waiver request may also include “public good” or other required factors that may be based on the project application.