



Tool 5-6 – Procurement & Crosscutting Requirements

Based on the following contract amounts, contracts funded in whole or in part with CDBG must contain the following contract provisions contained in [Appendix II of 2 CFR 200](#). For additional information see section 5.11 Contract Requirements as well as appendix 5.9 of the Grants Management Manual (GMM).

Threshold	Requirement Triggered	Requirement Description
All contracts at any price point	<u>Executive Order 11375, Equal Employment Opportunity (EEO)</u>	Prohibits contractors from discriminating against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin
	<u>Copeland “Anti-Kickback” Act</u>	Prohibits subrecipients and contractors from inducing any employee to give up any part of their compensation
	<u>Minority- and Women-Owned Business Enterprise (M/WBE)</u>	Requires grantees, subrecipients, and contractors to make every effort to use local firms and contract with small, minority-owned, and/or women-owned businesses
	<u>Debarment and suspension requirements</u>	Prohibits the award of contracts to any parties that are debarred, suspended, or otherwise ineligible to participate in Federal programs
>\$2,000	<u>Davis-Bacon Act</u>	Requires contractors / subcontractors to pay laborers and mechanics at least the prevailing wage rate paid in the area for similar work
>\$10,000	Termination for <u>cause and convenience</u>	Requires contracts to include clauses addressing termination for cause and for convenience including the manner by which it will be effected and the basis for settlement
>\$100,000	<u>Contract Work Hours and Safety Standards Act</u>	Requires contractors / subcontractors to pay laborers and mechanics at least 1.5 times their basic rate of pay for all hours worked in excess of 40 hours per week
	<u>Byrd Anti-Lobbying Amendment</u>	Requires subrecipients and contractors that apply or bid for an award to file the required certification that they will not use CDBG funds to pay any person or organization to influence any agency, member of in connection with obtaining any Federal contract



>\$150,000	<u>Clean Air Act and the Federal Water Pollution Control Act</u>	Requires grantees, subrecipients, contractors and subcontractors to mitigate air and water pollution from CDBG funded projects
>\$200,000	<u>Section 3</u>	Requires grantees, subrecipients, contractors and subcontractors to train, employ, and provide contracting opportunities to low- and very low-income persons for housing rehabilitation, housing development, and other public construction projects
>\$250,000	Administrative and <u>legal remedies for violation or breach of contract</u>	Requires grantees, subrecipients, contractors and subcontractors to train, employ, and provide contracting opportunities to low- and very low-income persons for housing rehabilitation, housing development, and other public construction projects