



Shelby County Government

Department of Housing

1075 MULLINS STATION RD, MEMPHIS, TENNESSEE 38134-7795

Tel: (901) 222-7600 Fax: (901) 222-7621

Mark H. Luttrell, Jr., Mayor

August 14, 2018

**Subject: Change in Bid Selection/Procurement Policy
2 CFR 200 - Uniform Administrative Requirements, Cost Principles,
and Audit Requirements for Federal Awards.
2 CFR 200.319 - Competition**

Dear Contractor:

This letter is to notify you of a recent change in Shelby County Department of Housing Rehabilitation and Lead Hazard Control Grant programs policies and procedures. As an entity that receives federal awards, Shelby County Department of Housing is subject to 2 CFR 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Effectively immediately, bids from more than one "affiliated" firm or business on an individual project will not be accepted due to 2 CFR 200.319 – Competition. Bids from more than one affiliated firm or company on an individual project will result in all bids from the affiliated firms or companies being rejected for that specific project.

Note: "Affiliate" means any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which has a controlling interest in Bidder; and (b) "controlled by", "under common control with", or which has a "controlling interest" means (i) the direct or indirect power (under contract, equity ownership, the right to vote or determine a vote, or otherwise) to direct the financial, legal, beneficial or other interests of a company (or other entity) and includes the definition of "control" in 24 CFR 401.310(a)(2); or (ii) the power to vote, directly or indirectly, 25 percent or more of any class of the voting stock of a company; or (iii) the ability to direct in any manner the election of a majority of a company's (or other entity's) directors, trustees or members; or (iv) the ability to exercise a controlling influence over the company's or entity's management and policies. For purposes of this definition, a general partner of a limited partnership is presumed to be in control of that partnership, and a managing member of a limited liability company is presumed to be in control of that limited liability company.

If you have any questions regarding this policy change, you may contact me at (901) 222-7610.

Sincerely,

Scott Walkup, Administrator
Shelby County Department of Housing