FAQs

1. What is procurement? Under federal guidelines found in 44 CFR 13.38, procurement is the process of acquiring (buying, purchasing, renting, leasing, or otherwise obtaining) goods and services.

2. What are the three most important points I need to know about FEMA procurement? Must have a competitive process. Stay away from prohibited contracts. DOCUMENT. DOCUMENT. DOCUMENT!


4. What is the two-file process for procuring using federal funds such as Public Assistance (PA) or Disaster recovery grants? FEMA accepts your methods of procurement: Small purchases procedures. Sealed bids. Competitive proposals. Non-competitive proposals in limited situations.

5. Can we procure a combination of eligible and ineligible work in one contract? Yes. FEMA-eligible work must be performed separately from FEMA ineligible work in the contract. Grant scope of work [SOW] validation and contract should be consistent.

6. What is a cost analysis? When is it needed? A cost analysis is an applicant’s demonstration that the cost of an assistance is reasonable. The analysis must be complete and consistent with federal requirements. Non-competitive procurements and requests for quotes (RFQ) require a cost analysis prior to awarding the contract.

7. Is there a standard cost analysis format? No. This method and degree of analysis is dependent upon existing circumstances. Cost analysis needs to be supported by copies of quotes, cost of similar products/services, etc.

8. What is “cost reasonableness”? A cost that is both fair and equitable for the type of work performed under existing circumstances at the time the work is incurred.

9. What is the difference between an IFO and an IFP? An IFO may be used for the acquisition of architectural and engineering (A/E) design services. Cost is negotiated separately. A request for proposals (RFP) may be used for any acquisition. Price is negotiated separately. A selection criteria.

10. Do I need to document all procurement? Yes. Documents the who, what, when, where, why and how result. Without proper documentation you will not be reimbursed.

11. Is my procurement process subject to audit? Yes. Build your records from the beginning so they are staff-ready. Poor record keeping is the #1 reason for failure to be reimbursed.

Possible procurement penalties: • Withheld payment. • Debarred funds. • Withheld future grants. • Prohibited grant.

For more information or help with your procurement needs visit http://www.fema.gov/research/procurement-guidelines-44-cfr-13.38. Contact your organization’s purchasing officer or OD/OR: 223-925, 7500.

FEMA grant dollars!
Competitive proposals
Sealed bids
• Applies to all contracts

TYPE OF PROCUREMENT WHEN TO USE
Requires cost analysis.
• Includes sole source + extraordinary circumstances + insufficient
  qualifications-ONLY
• Awarded to the Preferred
(A/E design services (Except for A/E) ONLY)
  responses.

GSA
Authorized under 41 U.S.C. 40 (b) (5) ANY
  procurement program. (also
  convenience + for
  breach of contract.

CONTRACTS TO USE
Lump sum
Contract for work within a prescribed boundary with a clearly defined scope + a total price.
Unit price
Work done on a labor-hour basis, with cost determined per unit (e.g., hour, each, lb).
Cost + fixed fee
Total cost with a defined (fixed) fee added to the price.

CONTRACTS TO AVOID
Time + materials
Basic time and materials schedules + costs for reimbursable goods. Generally used for
  consulting, project management, support, monitoring contracts, etc.

Piggyback contracts
Works during another public entity’s pre-existing contract. Highly discouraged by
  FEMA. May be accepted if costs are reasonable and elements of contract exist for both
  contracts.

Cost + percentages of cost
Contractor’s cost plus a percentage fee. Not eligible under FEMA regulations.
Percentage of construction cost
Work done for a percentage of the cost of the work. Not eligible under FEMA regulations.

Must meet a number of requirements [44 CFR 13.36 (d)].

100% of RFP bids must be submitted. LLA recommends RFP to
  events or ownership.

All contracts.

Sealed bids
• Applies to all contracts

Local procurement rules. Check with local authorities for
  local procurement rules.

All contracts.

Required contract PROVISIONS [44 CFR 13.36 (h-1)]
Construction or facilities improvement contracts or
  subcontracts exceeding $100K. Bonding requirements include
  Bid guarantee + performance bond + payment bond. Bonding company requirements can be found in LA
  RS 38.9B.

Administrative + legal remedies for violation or breach of contract.

Termination for convenience also
  requires 44 CFR 13.44 for procedures for termination for convenience.

Compliance with Executive Orders (EO) 13344 + 13735 (Equal Employment Opportunity (EO)).

Administrative + legal remedies for termination for convenience.

Completion of Capital Anti-Kickback Act.

CONTRACT STATE REQUIREMENTS [Title 38] LOCAL

SiZE OF CONTRACT
FEDERAL REGULATIONS (41 CFR 6.56)
STATE REQUIREMENTS (TITLE 38)
LOCAL

MATERIALS + SUPPLIES

NOTICE TO BID

A/E services

FULFILLMENT OF CONTRACT

STATE COOPERATIVE PURCHASING (SCP)

Authorized under 44 CFR 13.36 (d) (4)

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All contracts greater than $100K.

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CONTRACTS TO AVOID

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