



Procurement

July 2026



Cal OES
GOVERNOR'S OFFICE
OF EMERGENCY SERVICES



Procurement Standards

- **Indian Tribes:** Must follow their own documented procurement policies and procedures in accordance with **2 C.F.R. § 200.317**.
- **All other Subrecipients:** Must conduct procurements in accordance with documented procurement procedures that comply with the federal procurement standards at **2 C.F.R. §§ 200.318–200.327**.
- **Conflicts:** If there is a conflict between your procurement procedures and the federal procurement standards, follow the more restrictive requirement.



Full and Open Competition

- All procurement transactions under a federal award **must be fully and openly competed** consistent with the standards in Part 200 of the C.F.R.
- Some common situations considered to be restrictive of competition are, but not limited to:
 - Imposing unreasonable requirements for vendors to qualify
 - Specifying a brand-name product without allowing an equivalent
 - Splitting purchases to circumvent competitive procurement requirements
 - Using a prequalified vendor list that excludes other qualified vendors from competing



Methods of Procurement

Procurement Types Grouped into 3 Categories

Informal
CFR 200.320(a)

- Micro-Purchases
- **Simplified Acquisitions**
(formerly “Small Purchases”)

Formal
CFR 200.320(b)

- Sealed Bids
- Competitive Proposals

Non-Competitive
CFR 200.320(c)

- Non-Competitive Procurements



Informal Procurement Methods

Micro-Purchases

§ 200.320(a)(1)

- Competitive price or rate quotations are not required
 - The price or rate reasonableness **must be documented**
- **Update:** The Federal Micro-Purchase threshold increased from \$10,000 to **\$15,000**
 - If internal Micro-Purchase threshold is lower, the lower threshold must be used



Informal Procurement Methods

Micro-Purchase Threshold Increase

§ 200.320(a)(1)(iv) – (v)

- Subrecipients may **self-certify** a threshold of **up to** \$50,000
(subject to the requirements of § 200.320(a)(1)(iv))

OR

- Obtain **Federal approval** for a threshold **higher than** \$50,000



Informal Procurement Methods

Simplified Acquisitions

§ 200.320(a)(2)

- **Greater than** Micro-Purchase threshold and **less than or equal to** the Simplified Acquisition Threshold (SAT)
- **Update:** SAT increased from \$250,000 to **\$350,000**
 - Internal SAT cannot exceed the Federal threshold
- Price or Rate quotations must be obtained from an adequate number of qualified sources
 - A **minimum of three quotations** is recommended



Formal Procurement Methods

Sealed Bids § 200.320(b)(1)

- Greater than SAT \$350,000
- Scope of Work is definite
- RFBs must be publicized
- Bids solicited from 2 or more bidders/offerors
- Public opening of bids at set date and time
- Fixed-Price contract awarded to lowest price bidder

Proposals § 200.320(b)(2)

- Greater than SAT \$350,000
- Scope of Work is less definitive
- RFPs must be publicized
- Proposals solicited from 2 or more proposers/offerors
- Proposals scored based on established evaluation criteria
- Fixed-Price or Cost-Reimbursement contract awarded to proposal that is most advantageous



Non-Competitive Procurements

§ 200.320(c)(1) – (5)

- Non-competitive procurements are only allowable under one or more of the following circumstances:
 1. Amount does not exceed the Micro-Purchase Threshold
 2. Single Source
 3. Public Exigency or Emergency
 4. Inadequate Competition
 5. With Federal Awarding Agency or Pass-Through entity Authorization

NOTE: Cal OES will only authorize if one of the first four circumstances apply



Non-Competitive Procurement Authorizations

- All noncompetitive procurements in **excess of \$250,000** require **prior approval** from Cal OES
 - No retroactive approvals will be granted
- Cal OES prior approval is also required for all HSGP-funded **non-competitive procurements of training, regardless of the dollar amount**
- **Update:** Per **GMM 2026-04**, prior approval for single-source trainings is issued concurrently with the issuance of a Feedback Number



Non-Competitive Procurement Authorizations

- What must be submitted to Cal OES for non-competitive procurement approval?
 1. [Non-Competitive Procurement Authorization \(NCPA\) form](#)
 2. Feedback number, if applicable
 3. A Cost or Price Analysis
 4. Solicitation documentation, if applicable
 5. Prior Approval documentation, if applicable
- **Reminder:** Profit negotiation is no longer mandatory



Cost or Price Analysis

§ 200.324(a)

- **Purpose:** To ensure a fair and reasonable price
- Cost or price analysis **required for procurements exceeding the \$350,000 SAT**, including noncompetitive procurements and contract modifications



Cost or Price Analysis

- **Price Analysis:** Reviews and compares prices to determine price reasonableness
- **Cost Analysis:** Reviews individual cost elements to determine cost reasonableness
- An independent cost or price estimate must be prepared and documented **before soliciting bids or proposals.**



Price Analysis

- Most common method for determining price reasonableness
- Typically used when acquiring items or services that are **on the open market** and that have competing alternatives with **relatively similar benefits**
- A Price Analysis would include a detailed review of the benefits of each offering relative to the quoted prices



Price Analysis

- Techniques include, but are not limited to:
 - Comparing proposed prices with independently developed price estimates prepared prior to receiving bids/proposals
 - Comparing proposed prices received in response to a solicitation
 - Comparing prior (historical) proposed/contract prices with current proposed prices for the same or similar goods or services
 - Comparing offers with competitively published catalog prices, published market prices, or similar indices



Cost Analysis

- Typically used when there are **no comparable products or services**
- Reviews individual cost elements and proposed profit to determine cost reasonableness
- Evaluates costs such as labor, materials, overhead, and profit



Cost or Price Analysis

	Price Analysis	Cost Analysis
Level of Analysis	Simple	Detailed
Competition	Adequate	Inadequate
Method	Price Comparison	Cost Breakdown



Contract Provisions

§ 200.327

- All contracts must contain the applicable provisions described in Appendix II to Part 200
- [Contract Provisions Guide \(2024\) | FEMA](#)



Procurement Records

- Maintain all procurement records
- Procurement records confirm compliance with the Federal standards at 2 C.F.R 200.318 – 200.327
- Insufficient documentation is a common monitoring finding and may result in the disallowance of costs
- Records must be maintained for at least 3 years from date of grant closeout



Resources

- [Code of Federal Regulations | eCFR.gov](#)
- [Procurement Under Grants Training & Resources | FEMA](#)
- [California Specialized Training Institute \(CSTI\) | Cal OES](#)