

- B. Procurement – Perform procurement transactions in a manner providing full and open completion. Contracts and Procurements must be of reasonable cost, generally must be competitively bid, and must comply with Federal, State, and local procurement standards. FEMA finds five methods of procurement acceptable:
- 1) Micro-purchase procedures: an informal method for securing services or supplies that do not cost more than \$10,000. Micro-purchases may be awarded without soliciting competitive quotes if the Subrecipient considers the price to be reasonable.
  - 2) Small purchase procedures: an informal method for securing services or supplies that do not cost more than \$250,000 by obtaining several price quotes from different sources.
  - 3) Sealed bids: a formal method where bids are publicly advertised and solicited, and the contract is awarded to the responsive bidder whose proposal is the lowest in price.
  - 4) Competitive proposals: a method similar to sealed bid procurement in which contracts are awarded on the basis of contractor qualifications instead of on price.
  - 5) Non-competitive proposals: a method whereby a proposal is received from only one source, because the item is available only from a single source; there is an emergency requirement that will not permit delay.
- C. Maintain sufficient records to detail the significant history of procurement. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, and contractor selection or rejection.
- D. Take affirmative steps to assure the use of small and minority firms, women’s business enterprises, and labor surplus area firms when possible.
- E. Include specific provisions in Subrecipient’s contracts to allow changes, remedies, changed conditions, access and records retention, suspension of work and other clauses approved by the Office of Federal Procurement Policy.
6. Payments
- A. Progress Payments
- 1) When progress payments are desired, you must submit a written request (on provided form at Exhibit “F”) and provide supporting documentation, such as an invoice and copies of check.
    - a. The first expenditure report is due by December 10, 2025, which is within 12 months of the FEMA award date. Subsequent expenditure reports are due annually or more