



FEMA

Procurement Disaster Assistance Team

**Top 10 Procurement under Grant Mistakes
That Can Lead to Loss of FEMA Public Assistance Funding**

1. Restricting **full and open competition** (i.e., placing unreasonable requirements on firms, requiring unnecessary experience, specifying only a “brand name” product, giving an advantage to local firms, etc.).
2. Not performing a detailed **price or cost analysis** for procurements above \$250,000.
3. Engaging in a **sole-sourcing** (non-competitive) procurement without carefully documenting how the situation has created an urgent need to perform the work sooner than a competitive procurement process would allow.
4. Continuing work under a **sole-source contract after the urgent need** (see # 3) **has ended**, instead of transitioning to a competitively procured contract.
5. Not making and documenting efforts to take **all “affirmative” steps** to solicit small businesses, minority businesses, and woman’s business enterprises.
6. Awarding a **“time-and-materials”** contract without a ceiling price and without documenting why no other contract type is suitable.
7. Not including the required **contract clauses** (template is available [here](#) or on the PDAT website).
8. Awarding a **“cost-plus-percentage-of-cost”** or **“percentage-of-construction-cost”** contract.
9. Awarding a contract to contractors that were **suspended or debarred** (visit www.sam.gov).
10. Not properly **documenting all steps** of a procurement to maintain a record sufficient to answer questions that could arise months or years later.

For more information on FEMA grant procurement requirements, including contract review checklists, guidance on the above topics, and training webinars, please visit the PDAT website at:

www.fema.gov/procurement-disaster-assistance-team

