

OVERVIEW OF PROCUREMENT METHOD OPTIONS

Permitted in accordance with [2 CFR 200.320](#) for Contracts & Purchases *funded in whole or in part with FFP Funds**

(Revised 10/07/2024)

**Important Note: When FFP funds are used to fund all or a portion of construction for a project, all construction contracts for the project are deemed to be funded in whole or in part with FFP funds.*

Grantees and Subrecipients must follow local procurement policies in addition to State and Federal regulations.

Small Purchase / Simplified Acquisition (& Micro-Purchase)	Competitive Sealed Bid	Competitive Proposal	Non-competitive Proposal / Sole-Source
<ul style="list-style-type: none"> • Provision of 2 CFR 200.320(a) • Allowed for non-construction contracts/purchases \$250,000 or less and construction contracts \$25,000 or less • Typically for small quantity of goods/products/supplies or other small contracts • Written quotes from a minimum of 3 providers/vendors required • Solicit in writing and receive quotes in writing; or obtain written quotes online • Quotes must be detailed enough to verify pricing is for comparable product(s)/ service(s) of the same quantities and dated to confirm they were obtained within same time period • Select lowest responsive, responsible quote • Inform all responders in writing of decision/selection (if contacted vendors directly to request quotes) • May require approval by governing body (subject to local procurement policy requirements) • Micro-Purchase Exception: If the cost of the good/product/ service (including the total quantity needed for the FFP project) will total \$10,000 or less, then solicitation of competitive quotations is not required as long as the Grantee considers the price reasonable. <i>This exception is allowed contingent upon the Grantee (and Subrecipient, if applicable) complying with local procurement policies.</i> 	<ul style="list-style-type: none"> • Provision of 2 CFR 200.320(b)(1) and State Statutes for public works construction projects • Required for non-construction contracts/purchases >\$250,000 (excluding professional services) and construction contracts >\$25,000 • For construction contracts; and other large contracts or large quantities of goods/products/ supplies • Principally based on price; fixed-price contract • Sealed bids with public bid opening required: public advertisement, adequate time to respond (minimum Class 2 Notice); bids opened publicly • Receive 2 or more responsible bids • Award in writing to lowest responsive, responsible bidder • Approval by governing body required 	<ul style="list-style-type: none"> • Provision of 2 CFR 200.320(b)(2) • Allowed and most appropriate for professional services • Request for Qualifications [RFQ] (permitted for architectural / engineering (A/E) services only) or Request for Proposals [RFP] (permitted for any type of professional services) • Must send RFQ to at least 3 firms • Must make RFP public through publishing online, in newspaper, and/or in other publication • Use pre-established evaluation criteria/scoring method • Committee review/ evaluation to select provider • Most qualified competitor selected; subject to negotiation of compensation • Awarded as fixed price or not-to-exceed contract • May require approval by governing body (subject to local procurement policies) 	<ul style="list-style-type: none"> • Provision of 2 CFR 200.320(c) • Solicitation from one (1) source • Generally prohibited for FFP projects • May be allowed under certain circumstances (e.g., under urgency or limited supplier provisions within the Code of Federal Regulations; sole bidder circumstances that meet certain requirements; providing sufficient justification for sole source under the provisions of 2 CFR 200.320(c)) • DOA-DEHCR approval of sole source method required prior to contracting/purchase • Approval by governing body required