



WHITEPAPER | EMERGENCY READY:

How The Best Procurement Teams Are Preparing For The Worst

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Emergencies occur across the nation, and are increasing at an alarming rate over the past few years. In all situations, procurement’s response is just as important as that of first responders.

This white paper primarily addresses the two major types of emergency—natural and human-made—and the role procurement teams are called upon to fill in each. Because emergencies within these categories dramatically interrupt established procurement processes, they require a unique response from procurement officials that can only be effectively delivered with advanced preparation.

EXPECT THE UNEXPECTED: EMERGENCIES COME IN ALL SHAPES & SIZES

While certain regions of the United States are statistically more likely to experience one type of natural disaster over another, procurement should consider the full range of potential crises when implementing their emergency plan.

“ It’s not ‘if’ an emergency will occur in your region, it’s ‘when’ an emergency will occur — are you ready? Natural disasters are on the rise in every part of the nation, so no one should assume they will be spared. In addition, human-made emergencies are occurring with greater frequencies, and with fatal consequences. No matter how unlikely, it is better to be prepared, as it will be too late when something actually happens. ”

Tammy Rimes, MPA
National Cooperative Procurement
Partners Executive Director

NATURAL/GEOLOGICAL EMERGENCIES:

- Natural Disasters
- Tornadoes & Severe Storms
- Hurricanes & Tropical Storms
- Snowstorms & Blizzards
- Floods
- Wildfires
- Earthquakes & Tsunamis
- Volcanic Eruptions
- Rock Slides & Mudslides
- Drought
- Extreme Heat/Cold

HUMAN-MADE EMERGENCIES:

- Riots or Civil Disturbances
- Acts of Terrorism (arson, bombings, mass shootings)
- Accidents involving public transportation
- Oil or Chemical Spills
- Explosions
- Health or Disease Epidemics
- Infrastructure Collapse (buildings, bridges, mines, tunnels)
- Everyday Emergencies (water leaks, power outages)

WHAT IS PROCUREMENT'S ROLE DURING AN EMERGENCY?

During naturally occurring emergencies, procurement officers work right alongside first responders, including police officers, fire fighters, public works and emergency response teams, to ensure necessary supplies and services are purchased and deployed as quickly and efficiently as possible. In such cases, anticipating potential crises and being prepared to act quickly on your city or state's behalf can be the difference between life and death for civilians.

In human-made emergencies, procurement provides critical products and services to restore, repair and replace what has been disrupted or damaged as a result of the crisis.

BEFORE AN EMERGENCY: BEST PRACTICES OF THE BEST PREPARED

HAVE A SEAT AT THE TABLE

No procurement team is an island; it is essential to coordinate with police, fire, and public safety personnel to prepare for emergencies and emergency spending.

Procurement should participate in emergency training exercises and have a seat in the Emergency Operations Center (EOC). Establishing a hierarchy of command and regular communications regarding emergency planning will also allow you to be as ready as possible. Training is not only for the management team; the entire procurement team must know how to implement the emergency procedures regarding communications, resource management, and supply chains to maximize response if a director or lead supervisor is out of town when an emergency strikes, or some routes of access are cut off and personnel can't physically reach the EOC worksite.



“ **BY FAILING TO PREPARE, YOU ARE PREPARING TO FAIL** ”

Benjamin Franklin

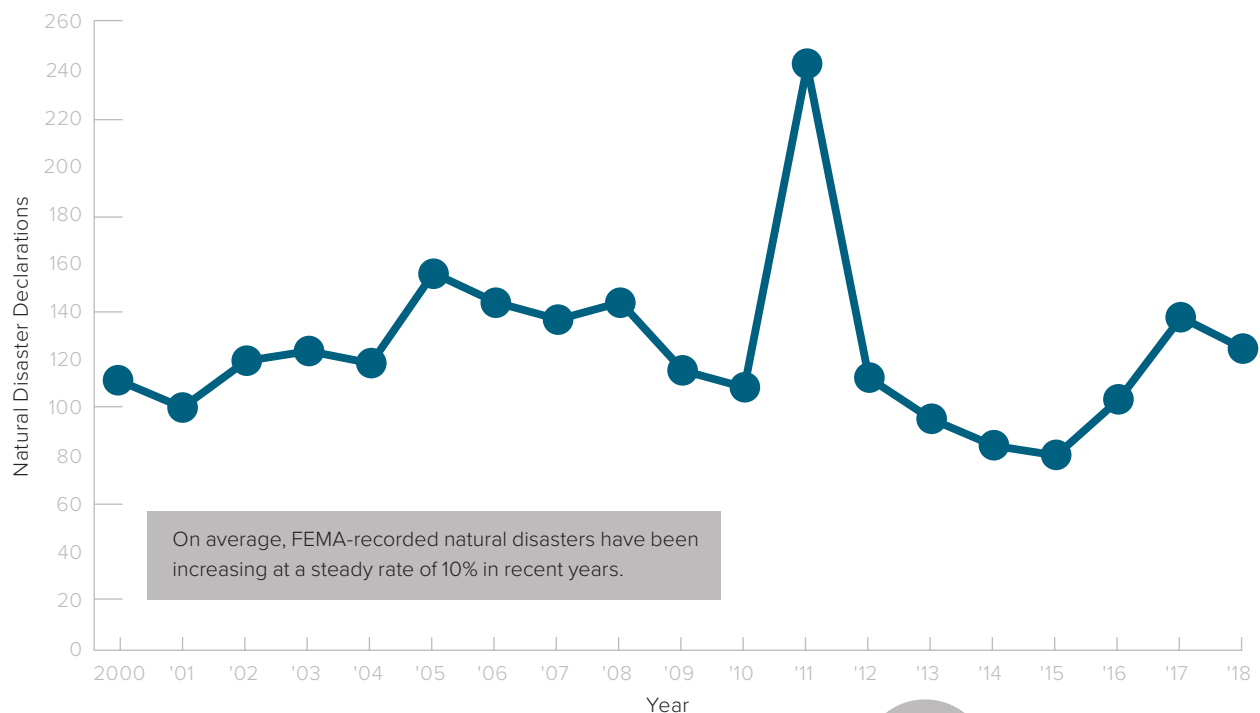
PREPARE YOUR TOOLKIT

Contract preparation is key to successfully navigating any emergency. On pages 9 and 10 you will find a list of contract categories every procurement department should have in place long before an emergency occurs. This list was developed by the National Cooperative Procurement Partners (NCP) based on interviews with procurement leaders who have successfully responded to emergencies as well as suppliers who provide essential emergency supplies and services. In addition to these contracts, you should be sure to have a pre-printed list of associated emergency contact names and phone numbers on hand, so that information is readily available should you lose power or computer/building access.

To expedite research and vetting, and reduce the administrative burden associated with contracting goods and services that may or may not be utilized, many procurement teams utilize cooperative purchasing contracts as part of their emergency preparedness strategy.

“ Cooperatives can be a critical component of an agency’s emergency preparation strategy. Emergency purchases typically fall into the low-frequency/high-spend category, so leveraging the experience and efficiencies available through FEMA-compatible cooperative contracts can provide an agency with immediate access to critical resources without putting a heavy demand on an agency’s purchasing department. We are seeing agencies start to recognize cooperatives as part of their overall emergency preparedness strategy, pulling together and vetting their ‘disaster suite’ of standby contracts in advance of experiencing any type of loss. ”

Dr. Kim Abrego, PT, DPT.,
President of Disaster Recovery
Services, LLC



EMERGENCY BACKPACK

In addition to a well-stocked contract toolkit—it's wise to have a physical toolkit on hand as well, in the event that you and your team will be required to work remotely.



Laptop or tablet with extra batteries/charger



Hard copy printout of available suppliers



Hard copy printout of all procurement management personnel's office/home/cell phone numbers



Cell phone with extra battery/charger



Paper, pens, office supplies



Hard copy purchase order



Fax machine or scanner to send POs



Flashlights and batteries in case of no electricity



Assigned P-card for emergency purchases



Bottled water and food for immediate team members



Emergency Policy & Procedure Manual



Camera or device for taking digital photos

PREPARE FOR A POWER OUTAGE

One of the biggest concerns in any emergency is the loss of electricity, which affects nearly every aspect of your emergency operations:

- Computer and IT infrastructure
- Phone and cellular networks
- Power to homes, buildings and operations
- Water and server service
- Hospital and life support systems
- Ice making and refrigeration
- Heating and cooling systems

Procurement needs to have the supplies and services available to accommodate a lengthy power outage. Be prepared to go old-school (pads and pens at every workstation in addition to computers, a large white board, gallons of water, and plenty of backup batteries. The average computer battery can last for up to 6 hours, whereas the average cell phone lasts for 5-7 hours—depending on usage. When you consider a wildfire that rages for weeks at a time—or a hurricane that impacts power for days, you begin to see how much backup you really need.

“ When the Witch Creek Fires hit southern California in 2007, the National Guard had shut down road access from my area, and I was unable to drive to the Emergency Operations Center. In addition, other procurement team members’ homes were impacted and they were evacuated to shelters with their families. Since we had prepared with cross-training and back-up assignments, procurement personnel were able to staff the Center. Non-delivery of procurement services is NOT an option during an emergency. ”

Tammy Rimes, MPA
National Cooperative Procurement
Partners Executive Director

Former Purchasing Agent, City of
San Diego, CA

KNOW CURRENT FEMA REGULATIONS. REALLY KNOW THEM.

Failure to follow FEMA’s procurement requirements is the top reason for funding de-obligation, and it’s important for state and local procurement officials to understand that when there are multiple rules in place—state and local—the *most restrictive* rule applies for FEMA reimbursement.

FEMA regulations are updated regularly, sometimes several times over the duration of recovery from a single declared disaster, and the scope of these regulations can be overwhelming. To ensure your team is in compliance, disaster recovery expert, Dr. Kim Abrego from Disaster Recovery Services, LLC recommends that procurement officials:

- Check the FEMA.gov website at least once a quarter for updates to FEMA regulations.
<https://www.fema.gov/procurement-disaster-assistance-team>
<https://www.fema.gov/media-library/assets/documents/90743>
- Implement annual continuing education related to FEMA procurement to introduce any new/updated regulations and to serve as a refresher to prepare for the upcoming catastrophic disaster seasons. These types of educational sessions can often be found through your local State Emergency Management office.
- Consider scheduling an emergency procurement preparedness review to evaluate current emergency related contracts for FEMA compatibility, determine what contracts would be essential to pre-position for immediate disaster response, and to detect what current procurement processes would need to be amended if seeking FEMA reimbursement. These types of reviews can coincide with your agency’s regular emergency training exercises, or can be held independently.
- Understand these most common sources of **non-compliance** issues:
 1. Engaging in a noncompetitive procurement (i.e., sole-sourcing) without carefully documenting how the situation has created an urgent need to perform the work sooner than a competitive procurement process would allow.
 2. Continuing work under a sole-source contract after the urgent need (see #1) has ended, instead of transitioning to a competitively procured contract.
 3. Awarding a “time-and-materials” contract without a ceiling price that the contractor exceeds at its own risk and without documenting why no other contract type is suitable.
 4. Awarding a “cost-plus-percentage-of-cost” or “percentage-of-construction-cost” contract.
 5. Not including the required contract clauses, available through FEMA’s Procurement Disaster Assistance Team [website](#).
 6. Including a geographic preference in a solicitation (i.e., giving an advantage to local firms).
 7. Not making and documenting efforts to solicit small businesses, minority businesses, and women’s business enterprises.
 8. Conducting a procurement exceeding the simplified acquisition threshold (currently \$250,000) without conducting a detailed cost or price analysis.
 9. Not carefully documenting all steps of procurement to create a record if questions arise potentially years later.

DURING AN EMERGENCY



ASSUME LOGISTICS RESPONSIBILITY IN EMERGENCY OPERATIONS CENTER

The Chief Logistic Officer's role (often served by Procurement) is to get the resources and services to where they are needed most. Having hard-copy and computer lists of all available contracts and contact information is highly recommended. Due to the regionalized impact of some emergencies, it may be that the local business that holds your agency's contract has also been impacted, and not able to deliver. Having backup contracts, in the form of cooperative contracts, might be an option. Dealing with larger, national companies can sometimes be helpful, as they can bring in resources from other parts of the country. Being flexible is key as all types of requests come in, and situations that might not have been imagined in any training exercise. Procurement rules and policies are important, and so is addressing the emergency head on.



KEEP COSTS REASONABLE

Budget considerations do not disappear in the face of an emergency; the overarching requirement is that costs stay reasonable. A commonly used definition of a reasonable cost is one that "does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time." Some agencies will find that definition unnervingly broad, which is why it pays to be familiar with your local, state, and/or federal laws regarding emergency spending. Through the use of a cooperative contract, agencies are able to obtain more resources for better value and savings.



ESTABLISH AN ACCOUNTING SYSTEM

One of the biggest challenges for any procurement team is to accurately track all of the expenses during an emergency. Goods are being purchased on Pcards, through contracts, and on-the-spot at storefronts across the region. Someone in public works may order equipment rental, police personnel may order cones and barricades, and procurement may bring in portable toilets and bottled water. All of these purchases—regardless of who is making them—must be tracked for ultimate budget reconciliation and possible FEMA reimbursement. While it's difficult to think of accounting during an emergency, tracking all emergency purchases across your entire agency will simplify reconciliation and ensure that procurement is not blamed for missing out on crucial reimbursements. Best practices suggest establishing a job order number as soon as the emergency occurs and insisting that everyone use that order number when purchasing or ordering anything related to the emergency. For cash/on-the-spot purchases, purchasers should keep receipts and note the job order to ensure the purchase is tracked properly upon reconciliation.



MAINTAIN PROPER DOCUMENTATION

FEMA requires non-state applicants to keep documentation to detail their history of procurement action, including for cooperative contracts, assuming purchase amounts that exceed the Simplified Acquisition Threshold. Documents will include:

- Summary narrative
- Cost/Price analysis
- RFP/Q (including scope, T&Cs, method for selection/evaluation criteria)
- Proof of advertisement
- Listing of suppliers notified of solicitation opportunity
- Proof of socioeconomic contracting
- Listing of solicitations received with date/time opened
- Solicitation tabulation
- Evaluation matrix/summary (if other than sealed solicitation)
- Reasoning for contractor selection
- Suspension and debarment check
- City council approval
- Contract, including FEMA provisions
- Purchase order (may be added later)

If purchasing through a cooperative agreement, Dr. Kim Abrego of Disaster Recovery Services, LLC, advises that you reach out to the cooperative agency and let them know that your purchases may be submitted for FEMA Public Assistance reimbursement as they can assist in pulling together the necessary documentation.



REPORT EARLY & OFTEN

Keeping key offices informed of procurement operations is important for a number of reasons. First and foremost, it provides visibility into the procurement process for teams like the Mayor’s Office or law enforcement, who are directly accountable to the public. A regular accounting of purchasing activity also ensures that there is no duplication of effort or spend. Most EOCs have some type of reporting structure, and it is important that procurement’s role and responsibilities are also represented in these reports.

AFTER AN EMERGENCY



EXPEDITE CLEANUP

After any emergency, cleanup becomes the overwhelming concern, and debris removal is not a “clean” process. It’s time-consuming, often taking weeks, even months, to complete. It can be further complicated when local suppliers—as a result of the emergency—are no longer available to deliver on established contracts. Having established contracts with national strategic partners—whether direct or via a purchasing cooperative—can be invaluable in this circumstance. Rather than asking for a specific item, you should describe the problem you’re trying to solve and allow the supplier or purchasing cooperative to do the heavy lifting of identifying the most cost-effective and efficient solution. Additionally, national companies monitor emergency situations and can plan accordingly by moving needed equipment and supplies to the impacted area, thereby relieving sole reliance on local businesses that may also be impacted.



RECONCILE EXPENSES & APPLY FOR FEMA REIMBURSEMENT

This part—it will come as no surprise—can be complicated. If you’ve kept up with FEMA regulations and maintained the proper documentation outlined here, you should be well positioned to take advantage of whatever emergency funds are available.

ADDITIONAL RESOURCES

Bookmark the following sites for easy access to these important emergency resources:

FEMA PROCUREMENT DISASTER ASSISTANCE TEAM

FEMA established the Procurement Disaster Assistance Team (PDAT) in 2014 to help disaster assistance applicants adhere to the Federal procurement standards.

<https://www.fema.gov/procurement-disaster-assistance-team>

PUBLIC ASSISTANCE FACT SHEETS LANDING PAGE

The FEMA Public Assistance Fact Sheet landing page provides the most current information regarding FEMA’s Public Assistance program.

<https://www.fema.gov/media-library/assets/documents/90743>

CONTRACT CATEGORIES FOR EMERGENCY PREPAREDNESS

OFFICE EQUIPMENT & EOC SUPPORT

- Furniture (temporary)
- IT Equipment & Computers
- Office Supplies
- Television, Presentation & AV Equipment
- Badges, EOC/Staff Vests, Access Cards
- Mail & Overnight Delivery

COOLING & HEATING

- Air Conditioner Units, Evaporative Coolers
- Air Movers, Dryers
- Heaters (Natural Gas & Propane)
- Food & Water Coolers
- Refrigerators & Freezers
- Ice Makers

CLEANING EQUIPMENT & PRODUCTS

- Floor Cleaning Machines & Accessories
- Vacuums & Accessories
- Buckets, Feeder Pails, & Containers
- Brooms, Brushes, Dust Pans & Accessories
- Mops & Mopping Equipment
- Pressure Washers, Sprayers & Accessories
- Trash Cans & Liners
- Portable Laundry Equipment
- Bleach & Ammonia
- Degreasers
- Disinfectants
- Distilled Water
- General Purpose Cleaners & Spray Bottles
- Skin Cleaning & Care Sweeping Compounds
- Wiping Products (Cloths, Sponges)
- Sanitizer Towels & Tissues
- Light Bulbs
- Waste Removal Carts/Trolleys
- Latex/Vinyl Cleaning Gloves
- Laundry Chemicals
- Environmental & Industrial Oil Sorbents
- Spill Response Kits
- Storm Water Management

ACCESSIBILITY & TRANSPORTATION

- Temporary Directional Signs, Barricades, Lights
- Salt
- Sand & Sand Bags
- Snow Removal
- Gravel, Asphalt & Temporary Road Repairs

AIR QUALITY

- Blowers & Ventilators
- Ducting
- Dehumidifiers
- Fans
- Foggers
- Smoke Machines
- Cartridges & Filters
- Disposable Respirators
- Dust Masks
- Gas Masks

- Certified Industrial Hygienist
- Carbon Monoxide & Smoke Alarms
- Fire Extinguishers & Fire Fighting Equipment
- Turnout Coats & Specialized Fire Protective Attire & Helmets

FIRST AID & MEDICAL

- Eye Wash & Drench Shower Products
- First Aid Instruments & Equipment
- First Aid Kits & Accessories
- Defibrillators
- Wheelchairs & Mobility Devices
- Syringes
- Vaccines & Medicines
- Alcohol, Swabs, Medical Supplies
- Body Bags
- Specialized & Temporary Medical Personnel Services
- Medical Equipment Rental
- Temporary Nursing Care
- Facility & Temporary Boarding for Disabled Persons

COMMUNICATION

- Two-Way Radios & Accessories
- Cellular Phones & Back-Up Batteries
- Satellite Phones & Back-Up Batteries
- Laptops, Tablets & Back-Up Batteries
- Translation of Emergency Messages & Communication
- Sign Language Interpreters

POLICE & SECURITY

- Security Cameras
- Cabling & IT Equipment
- Temporary & Situational Security Services
- Command Trailers & Temporary On-Site Office Locations (tent, canopies, camping equipment)
- Safety & Security Signs
- Fencing (Perimeter, Safety, Silt)
- Flares & Temporary Directional Lighting

PERSONAL PROTECTION

- Bump Caps
- Face Shields & Head Gear
- Hard Hats
- Safety Eyewear & Goggles
- Ear Muffs & Plugs
- Chemical Resistant Garments
- Coveralls
- High Visibility Garments
- Chemical Resistant Gloves
- Coated & Dipped Gloves
- Cotton & String Knit Gloves
- Cut Resistant Gloves
- Disposable Gloves
- Leather Palm & Drivers Gloves
- Fall Protection Kits
- Harnesses
- Lanyards
- Self-Retracting Lifelines
- Rain Wear
- Flotation Vests or Devices
- Waterproof Clothing/Shoes

POWER, ELECTRICITY & LIGHTING

- Batteries
- Flashlights
- Head Lamps
- Portable Power Packs
- Hand Held Work Lights
- Job Site Lighting
- Generators (rental/purchase) (mobile & trailer pulled)
- Fuel (Gasoline, Diesel, Biodiesel)
- Fuel (Propane)

LIFE SUSTAINING SERVICES & SHELTER

- Bottled Water, Coolers, Sports Drinks
- Tanker Water
- Read-To-Eat Meals
- Restaurant, Catering & Delivery
- Grocery Stores & Discount Stores
- Cups, Paper Goods, Utensils, Cooking or Warming Equipment
- Serving/Catering Supplies
- Bags/Food Containers
- Cots, Bedding, Blankets & Pillows
- Toiletries & Overnight Supplies
- Modular Buildings & Trailers
- Storage Units
- Animal Food
- Pet Supplies (Crates, Leashes, Litter)
- Feed Stores, Live Animal Contracts
- Boarding Facilities for Animals
- Counseling
- Portable Toilets
- Transportation & Buses

DEBRIS REMOVAL & MINOR CONSTRUCTION

- Chain Saws, Saws, Trimmers, Blowers
- Landscaping Hand Tools
- Equipment Rental
- Water Extraction
- Hazard Mitigation
- Demolition
- Dumpsters & Dumpster Removal
- Debris Removal, Trucking & Monitoring
- Restoration Job Order Contracting
- Construction Services (small repair – carpentry, electrical, mechanical, structural, roofing)
- Disaster Recovery & Transportation Relocation

PUMPS & EQUIPMENT

- Diaphragm Pumps
- Discharge & Suction Hoses
- Gas Engine Water & Trash Pumps
- Fluid Transfer Products
- Sewage Ejectors, Submersible & Sump Pumps
- Water Pumps
- Tubing & Hoses
- Hose Storage
- Hose Reels & Assemblies

TOOLS & EQUIPMENT

- Air Compressors
- Grinders & Hammer Drills

- Saws
- Cordless Drills & Drivers
- Cordless Saws
- Insulated Hand Tools
- Hole-Making Accessories
- Power Tool Batteries & Chargers
- Saw Blades
- Welding & Cutting Machines
- Pallet Jacks
- Lifts & Carts
- Furniture Rollers
- Ladders
- Tarps & Plastic Sheeting
- Bolt Cutters
- Chisels, Punches, & Sets
- Hammers & Accessories
- Hand Saws & Blades
- Knives, Razors, Multi-Tools & Accessories
- Nut Drivers & Sets
- Pliers, Pliers Sets & Accessories
- Prying Tools & Bars
- Scissors, Snips, Shears & Accessories
- Scrapers & Putty Knives
- Screwdrivers Sets & Accessories
- Socket Products & Sets
- Staplers & Staples
- Tool Sets
- Hoists, Level Tools, & Cable Pullers
- Duct, Electrical & Masking Tape
- Adhesives & Glues
- General Purpose & Silicone Lubricants
- Terminals & Wire Connectors
- Tape Measures
- Air Quality Testers
- Radiation Testing Equipment
- Meter Testers
- Moisture Meters
- Voltage Detectors
- Marking Paints
- Paint Markers
- Spray Paints

VEHICLE DAMAGE & ACCIDENT REMOVAL

- Binder Chain Assemblies
- Cargo Tie Downs
- Load Binder Ratchets
- Tow Straps
- Trailers
- Auto Parts
- De-Icers
- Engine Oil, Lubricants, & Starting Fluids
- Jumper Cables
- Tires (All Purpose, Snow, Heavy-Duty)
- Jacks & Lifts
- Auto Body Shop Repair
- Emergency Towing
- Surplus Property Auction
- Snow Chains & Cold Weather Accessories
- Barricades & Accessories
- Safety Tape
- Traffic Cones