



*Delaware Emergency Management Agency*  
*State Homeland Security Grant Program*

**DE Information Bulletin**  
**No. 8 – April 11, 2005**

TO: All Delaware Homeland Security Grant Partners

FROM: James E. Turner III  
Director

SUBJECT: Homeland Security Equipment Purchasing Requirements

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1. As administrator of the state's Homeland Security Grant Program, DEMA stands committed to improve our business processes. Over 80 percent of the grant program involves procurement of equipment to enhance our emergency response discipline capabilities to respond and recover from a terrorist attack. This task means providing over 9,000 emergency responders from numerous agencies, departments and municipalities within our 10 response disciplines with equipment to support the goals of Delaware's Homeland Security Strategy. Equipment procurement is a lengthy process where much coordination and information gathering is required to undergo purchasing tests to ensure fraud, waste and abuse of federal funds does not occur on each purchase. This bulletin provides our homeland security partners information on new and existing procedures and guidelines to improve the equipment procurement process.
2. Equipment procurement begins once grant funds have been awarded to Delaware from the federal government and the Initial Strategy and Implementation Plan (ISIP) has been approved by the Delaware Homeland Security Terrorism Preparedness Working Group and the State Clearing House review process. DEMA Technical Assistance Coordinators review the ISIP to identify equipment requirements for each discipline and evaluate available options to purchase the equipment. Each line item on the ISIP will identify a unit cost and total amount allocated by their respective discipline. Due to space limitations, the ISIP doesn't allow planners to enter all the descriptive data our Coordinators need to order equipment. As a result, Coordinators must know the exact specifications and source of supply for each requirement. In the past, most of you have provided this information enabling Coordinator staff to obtain quotes, make quick purchases or initiate a state contract. Conversely, there were instances where DEMA received very limited information causing the entire procurement process to take longer.

3. DEMA Coordinators have been able to purchase some equipment through existing contracts or using historical data on items purchased previously. However, equipment is not ordered until the end-user or discipline lead has reviewed, validated and approved the order for quality control purposes. This is the number one reason DEMA staff members require equipment cost, specifications and recommended sources of supply (if known) from the discipline's requesting agency. In addition, these details are necessary to determine the appropriate procurement method (i.e.; contract, open market, DLA, GSA, sole source, or sub-grant).
4. The time it takes to procure and receive equipment varies due to the nature of the equipment specifications, quantity and number of requests received. By direction of the Working Group policy, DEMA's Coordinators order equipment in the most cost-efficient and expeditious manner while adhering to state procurement guidelines and regulations. This means most orders take time to research and coordinate with the vendors and end-users. In addition, purchases are made according to three monetary thresholds. Purchases:
  - under \$10,000
  - between \$10,000 - \$25,000
  - over \$25,000

These thresholds determine the method and guidelines used to order equipment.

The following information describes five procurement methods and associated guidelines:

- a. Existing state or agency contract - State contracts are developed as a means to save time and money. After a project requirement is received and reviewed by our Coordinators, they will first determine if it can be ordered through an existing state or agency contract. Contracts are the most convenient and expedient method to order equipment because monetary thresholds are irrelevant. Individuals involved in the equipment procurement process are highly recommended to seek and request procurement of items available on a state contract before choosing any other method. The database of state contracts can be found at <http://www.state.de.us/dss/contracting/cnumber.shtml>.
- b. Sole Source - Items that are unique in nature may be purchased via sole source. Sole source purchases require the validation by DEMA in accordance with State Procurement Code. End users are responsible to provide justification to validate their sole source request. DEMA will only process sole source requests that are valid. There are two basic conditions which will warrant the use of the sole source option:
  - 1) ***Sole Source Manufacturer and/or Distributor***: When the end-user has determined the vendor is the sole manufacturer and/or distributor of an equipment item. In order to process this type of request, DEMA requires certifying documentation from the end user and/or vendor claiming sole source status. *Making a sole source determination means the product, or a similar product isn't available through other resources.*

- 2) ***Special Conditions***: When the end user has determined that special conditions exist. For example, the need for a specific piece of equipment due to federal or other regulatory guidelines/requirements, or due to existing equipment configurations in use. In order to process this type of request, the end user must provide documentation explaining the special conditions and how it warrants sole source authorization. Due to the subjective nature of this request, the end user must clearly describe the justification of sole source.
- c. **Open market** - If your project requirement does not meet any of the two previous conditions, Coordinators will determine if your project requirement can be purchased on the open market. However, open market purchases are limited to the monetary thresholds above and require research, coordination and documentation before purchase orders are cut. The two types of open market purchases are:
    - 1) ***Open market purchase less than \$10,000***: The requesting agency is required to provide DEMA item specifications (i.e. part number, model number) along with a recommended source of supply. This will allow Coordinators to contact the vendor and obtain a current quote for the requested item. The product is purchased utilizing the recommended source with no cost comparison needed.
    - 2) ***Open market purchase more than \$10,000, but less than \$25,000***. The purchase requires three recent written vendor quotes for competitive bid consideration. Coordinators require item specifications and at least one recommended source of supply. Coordinator staff will conduct research and obtain quotes from two other vendor sources. The product will be purchased from the most cost effective vendor according to State Procurement Code. **Note**: End user provided vendor sources will help expedite the process.
  - d. **Formal Contract, \$25,000 threshold exceeded** - The Coordinators are required to coordinate with State Administrative Services and develop a State or Agency contract. The contract development process can not start until end users provide all equipment specifications to DEMA Coordinators. After contract development, remaining procurement actions (advertising, conducting invitation to bid meeting, bid evaluation & award) will take approximately 45-90 days before equipment may be ordered.
  - e. **Sub-grant** - Due to the size and scope of some requirements, a sub-grant may be the best method for procurement. Sub-grants require the requesting agency to handle all procurement responsibilities using their own funds and receive reimbursement from DEMA with grant funds. Projects with a substantial one-time cost, sole source, or agency/municipal specific requirement are prime candidates for a sub-grant. In addition, agencies that sub-grant will be required to certify adherence to their agency's procurement guidelines and procedures before a sub-grant may be awarded.

This information is provided to help our homeland security partners better understand the State procurement policies and processes our agency uses to administer this grant program and work towards achieving the Delaware Homeland Security goals and objectives. In addition, our staff has developed and included a purchase request template for you and your associates to use when ordering equipment. The template will enable you to provide our Coordinators the necessary information to facilitate the purchase and delivery of equipment.

If you have any questions, please contact: David West, Mike Lipko or John Moore at 659-3362 or 1-877-SAY-DEMA.