



Utilizing Prepositioned Contracts as a Disaster Preparedness Strategy

In the face of disasters (natural or man-made), communities must be prepared to quickly protect life, public health, safety, and property. Amid the ensuing chaos and devastation, preparedness becomes the cornerstone of disaster management.

Understanding Federal Emergency Management Agency ("FEMA") prepositioned contracts serves as a proactive measure to ensure essential services are readily available in the event of a disaster. FEMA prepositioned contracts are agreements entered into by local governmental entities, state agencies, and some nonprofits to ensure essential goods and services are available in advance of a disaster, enabling a swift response when urgent demands arise. These contracts can cover a broad spectrum of needs including, but not limited to, debris removal, emergency sheltering, infrastructure repair, engineering services, and logistical support.

Prepositioned contracts play a pivotal role in maximizing reimbursement from the FEMA Public Assistance ("PA") program. The FEMA PA program provides supplemental federal disaster grant assistance for debris removal, emergency protective measures, and repairing or restoring disaster-related damages to publicly owned facilities and certain private nonprofit facilities. By having contracts in place prior to a disaster, governments can provide clear documentation of costs incurred, services rendered, and compliance with federal rules and regulations.

FEMA requires adherence to the procurement guidelines in 2 CFR 200 to qualify for reimbursement, and contracts procured in accordance with those regulations ensure compliance and reduce the risk of reimbursement delays and/or denials. It is important to remember that states must follow their own documented procurement policies and procedures when purchasing under a FEMA award pursuant to 2 C.F.R. 200.317 and comply with socioeconomic affirmative steps pursuant to 2 C.F.R. 200.321. All non-federal entities other than states (e.g., local, tribal, territorial governments, eligible private nonprofit organizations) must have documented procurement policies and procedures that reflect applicable local, state, or tribal law and ensure compliance with the federal requirements listed at 2 C.F.R. 200.318-200.327. Make sure you are familiar with the requirements that apply to your entity type:

State Entities

- Follow state procurement policies and procedures.
- Comply with requirements for socioeconomic affirmative steps.
- Include all federally required contract provisions.

Joseph Sordi, CEO, 212-509-0547 ext 101 | jsordi@sscctu.com
Douglas Ruhl, VP, 212-509-0547 ext 105 | druhl@sscctu.com

Non-State Entities

- Confirm that your entity has written procurement procedures that ensure all solicitation documents include a clear description of the need for goods or services being procured.
- When local, state, and federal rules differ, follow the rule that allows for compliance with all applicable layers.
- Understand the emergency and exigency exceptions before sole sourcing.
- Be aware that you must address all provisions for competition, methods of procurement, socioeconomic contracting, cost and price analyses, bonding requirements, and domestic preference.
- Include all federally required contract provisions.

Prepositioned contracts offer a strategic solution to enhance readiness, streamline procurement, and maximize reimbursement under the FEMA PA program. By leveraging these contracts effectively, your organization can strengthen your resilience, minimize the impact of disasters, and ensure the safety and well-being of your constituents.

The Strategic Security Corp. team has years of experience with procurement for prepositioned contracts, project grant development, PA program application, and more. Contact us below to start planning for a rapid, effective response to the next unexpected disaster.