

Acquisition Methods

The state's process for buying goods or services is affected by a number of factors related to the good or service being bought. Below are the common acquisition methods you will encounter as a certified Small Business or Disabled Veteran Business Enterprise looking for contract opportunities with the state of California.

Contracts Exempt from Advertising

In order to expedite the procurement process, there are certain acquisition methods that are not required to be advertised on Cal eProcure, the state's online public procurement system. These acquisition methods are conducted informally, meaning the contract does not have to be publicly advertised, which cuts down on the time it takes to procure goods and services.

Emergency Purchases

Emergency contracts are used for the immediate preservation of life or state property. Contracts issued because of an emergency may be entered into immediately. However, such contracts are subject to otherwise applicable statutory approval requirements and the reporting requirements.

Fair and Reasonable

For procurements of goods or services up to \$10,000. A buyer needs only one quote that is "fair and reasonable" to award the contract. A "fair and reasonable" quote is based off price comparisons, catalog or market pricing, controlled pricing, historical pricing, or a cost/benefit analysis.

SB/DVBE Option

For procurements of goods or services for \$5,000.01 - \$249,999.99 (or up to \$461,000 for public works). The buyer must choose to solicit quotes from either SBs or from DVBEs, but cannot mix and match. If the buyer receives at least two quotes, then the buyer will award to the lowest bidder.

Leveraged Procurement Agreement (LPA)

LPA allow departments to buy directly from suppliers through existing contracts and agreements. LPAs enable streamlined state purchases by removing repetitive bid processes by departments. LPAs are available to the state of California, its counties, cities, special districts, universities, and other government entities. There are many kinds of LPAs, the most common are provided below.

Statewide Contracts

Statewide contracts are primarily established to reduce the need for individual departments to conduct repetitive bids for similar products, and many have green standards. These contracts are only for products, not services, and are developed based on the business needs of state of California through a competitive bidding process.

California Multiple Award Schedules (CMAS)

CMAS offers a wide variety of commodity, non-IT Services, and IT products and services at prices which have been assessed to be fair, reasonable and competitive. The CMAS Program creates a pool of suppliers that an agency can solicit offers from. This form of procurement differs from the competitive bid process. When utilized correctly, CMAS streamlines the procurement process because it avoids advertising on Cal eProcure and has set pricing. The use of CMAS is optional and is available to state and local government agencies.

Leveraged Procurement Agreement (LPA) - continued

Software Licensing Program (SLP)

Extensive software discounts are negotiated with major software publishers that are then passed on to the state, through the SLP contracts established with authorized participating re-sellers.

Cooperative Agreements

Cooperative Agreements are multi-state cooperative agreements for IT and non-IT goods and services. Cooperative Agreements are available for use by state and local government agencies through California Participating Addenda.

Master Agreements

Master Agreements are contracts for services that are competitively bid and are available to any agency that expends public funds. These types of agreements establish a prequalified list of vendors and simplify the purchasing process for the end user.

Other Acquisition Methods

Request for Quotation (RFQ)

RFQ is a straightforward procurement format that identifies what is needed or requests a proposed solution and tends to be low in risk. It is the most common written solicitation format used to conduct informal competitive acquisitions.

Request for Interest / Information (RFI)

RFI may be used to separate those suppliers who intend to participate in an upcoming solicitation from those who have no interest in participating. RFIs are typically used when there is an excessively large pool of interested suppliers.

RFI may also be used to “survey” the marketplace to understand what products or services may be available and to approximate the dollars that may be needed for procurement.

Invitation for Bid (IFB)

IFB is a written acquisition method used to solicit bid responses for non-IT goods or for IT goods and/or services. Suppliers are asked to provide a bid to the state’s known and detailed, clear requirements.

Request for Proposal (RFP)

RFP is a written solicitation document required for IT goods and/or services that are complex in nature or of elevated risk. The RFP format is structured like an IFB to allow organization of requirements by type such as administrative/technical specifications, evaluation methodology, bid preparation instructions and contract language.

RFP states the solicitation requirements or specifications in a more general nature describing the problem to be solved or the goal to be achieved. Suppliers “propose” a business solution to the state’s described needs, free of any precise imposed mix of hardware, software, etc.

RFP can be awarded based on low cost or best value.

Additional Information

For more information about the content in this document, please contact BusinessOutreach@dgs.ca.gov or reference the [State Contracting Manual](#).