

# PROCUREMENT thresholds for Federal Funds (effective January 1, 2022)

The Uniform Guidance (UG) updates from the Federal Office of Management and Budget increased the Micro-purchase procurement method from \$3,500 to \$10,000 and increased the Small Purchase Procedures threshold from \$150,000 to \$250,000, effective June 20, 2018. Under UG, non-Federal entities must comply with the more restrictive of Federal, state, and entity-level requirements. The following table outlines the procurement methods to be used for the acquisition of goods and services when using Federal funds.

*Note: Federal and state acquisition thresholds are adjusted periodically.*

Procurement Method <b>§200.320</b>	Goods/Supplies	Services	Requirements
Micro-purchase (No quotes required)	Less than \$10,000  Note: Must use more restrictive \$0 Federal threshold instead of no state requirements under \$11,800	Less than \$10,000  Note: Must use more restrictive \$10,000 Federal threshold instead of state exemption for services	<ul style="list-style-type: none"> <li>consider price to be reasonable</li> <li>distribute equitably among suppliers to the extent practical</li> </ul>
Small Purchase Procedures (Relatively simple and informal)	\$10,000 - \$21,900  Note: Must use more restrictive \$10,000 Federal threshold instead of \$21,900 state threshold	\$10,000 - \$249,999  Note: Must use more restrictive \$10,000 Federal threshold instead of state exemption for services	<ul style="list-style-type: none"> <li>obtain/document price or rate quotations from a reasonable number of qualified sources (at least three per 24 PS 8.807.1)</li> <li>written or documented quotes</li> </ul>
Sealed Bids (Formal advertising)	\$21,900 or more  Note: Must use more restrictive \$21,900 state threshold instead of \$250,000 Federal threshold	N/A	<ul style="list-style-type: none"> <li>bids are publicly solicited</li> <li>firm fixed price contract awarded to the responsible bidder lowest in price</li> <li>cost or price analysis for purchases in excess of the Simplified Acquisition Threshold (\$250,000)</li> </ul>
Competitive Proposals (Formal RFPs)	N/A	\$250,000 or more  Note: Must use more restrictive \$250,000 Federal threshold instead of state exemption for services	<ul style="list-style-type: none"> <li>conducted with more than one source submitting an offer</li> <li>price is not used as a sole selection factor</li> <li>fixed price or cost-reimbursement type contract is awarded</li> <li>cost or price analysis for purchases in excess of the Simplified Acquisition</li> </ul>
Non-competitive proposals	Appropriate only when these circumstances apply: <ul style="list-style-type: none"> <li>Available only from a single source (sole source)</li> <li>Public emergency</li> <li>Expressly authorized by awarding or pass-through agency in response to written request from district</li> <li>After soliciting a number of sources, competition is deemed inadequate</li> </ul>		<ul style="list-style-type: none"> <li>solicitation from only one source</li> <li>used only when qualifying circumstances apply</li> <li>fixed price or cost-reimbursement type contract is awarded</li> </ul>

