

Procurement Thresholds: *Quick Tips Guide*

Per Memorandum [M-18-18](#) issued by the Office of Federal Financial Management, the threshold for micro-purchases under Federal financial assistance awards has been increased to \$10,000, and the threshold for simplified acquisitions is raised to \$250,000. District and Charter schools are still required to abide by Department of Education Finance and Administration, [6A-1.012](#) Purchasing Policies threshold of \$50,000.

Note: All Sponsors must use the most restrictive threshold for all purchases using Federal Funds.

Micro-Purchase Procedures:

Micro-purchase means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold. The Micro-Purchase threshold for Child Nutrition Program related items is less than \$10,000, all sponsors are to ensure the following occurs:

- ✓ Single visit transaction purchase was under \$10,000.
- ✓ Aggregate limit of same purchases is under \$10,000.
 - *Tip: Items repeatedly purchased should be procured utilizing Small or Formal Purchase procedures, rather than through multiple micro-purchases.*
- ✓ Purchases spread equitably among all qualified sources.
- ✓ Purchase price is reasonable.

Small Purchase Procedures:

Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold.

Public and Charter Sponsors

*Informal Small Purchase threshold for Public and Charter Sponsors **is more than \$10,000 but less than \$50,000**. To perform the Small Purchase method:*

Private, RCCI, and Church Sponsors

*Informal Small Purchase threshold for Private, RCCI, and Church Sponsors **is more than \$10,000 but less than \$250,000**. To perform the Small Purchase method:*

- Contact a minimum of three qualified vendors.
- Document each bidder's quoted price.
- Select lowest responsive and responsible bidder
- Inform all bidders of award in writing.
- Establish contract with awarded bidder.

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Formal Purchase Procedures:

Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price.

Public and Charter Sponsors

Formal Purchase threshold for Public and Charter Sponsors is more than \$50,000. To perform the Formal Procurement method:

- Determine whether to utilize an Invitation to Bid (ITB) or Request for Proposals (RFP). When performing an ITB, price is the sole factor. However, there can be required vendor qualifications. Food solicitations are best suited as an ITB. Requests for proposals must identify all evaluation factors and their relative importance, with price most heavily weighted.
- Create ITB/RFP, ensuring complete, adequate, and realistic specification are available.
- Sufficient response time must be provided prior to the date set for opening the bids, and the solicitation must be publicly advertised. Therefore, it is recommended solicitations are made available publicly for a minimum of 14 calendar days.
- Announcements should include the date, time and location in which bids will be opened.
- Determine the most responsive and responsible vendor and award. When performing a RFP, award is based upon the selection criteria set forth in the proposal document. When performing an ITB, award is based upon the responsible vendor whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price
- The sponsor should award the contract at least two weeks before program operations begin. Longer is recommended in case of protests and to allow the awarded vendor time to prepare.
- If a protest is received, it must be handled in accordance with Chapter 120.57(3), Florida Statutes
- Retain all records pertaining to the formal competitive bid process for a period of five years, plus the current year

Private, RCCI, Church Sponsors

Formal Purchase threshold for Private, RCCI, and Church Sponsors is more than \$250,000. To perform the Formal Procurement method:

