

# PROCUREMENT

## Thresholds for Federal Funds (Effective October 1, 2025)

The Uniform Guidance (UG) updates from the Federal Office of Management and Budget set the Micro-purchase procurement method to \$15,000 and increased the Small Purchase Procedures threshold to \$350,000, effective October 1, 2025. 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 2 CFR 200.320	Goods/Supplies	Services	Requirements 2 CFR 200.320
Micro-purchase Informal (No quotes required)	\$5,000 or less  Note: Must use more restrictive State threshold instead of the Federal requirements of under \$15,000	Less than \$15,000 (or \$5,000 or less for IT services)  Note: Must use more restrictive \$15,000 Federal threshold instead of state	<ul style="list-style-type: none"> <li>• Cost considered to be reasonable.</li> <li>• Distribute equitably among suppliers to the extent practical</li> <li>• Prudent person test</li> </ul>

		exemption for services (except for IT services)	
Small Purchase Procedures (Relatively simple and informal)	\$5,000.01 - \$75,000  Note: Must use more restrictive over \$5,000 state threshold	\$15,000 - \$349,999  Note: Must use more restrictive \$15,000 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 two per Miss. Code §31-7-13)</li> <li>Written or documented quotes</li> </ul>
Sealed Bids (Formal advertising)	Over \$75,000  Note: Must use more restrictive over \$75,000 state threshold instead of \$350,000 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 (\$350,000)</li> </ul>
Competitive Proposals (Formal RFPs)	N/A	\$350,000 or more  Note: Must use more restrictive \$350,000 Federal threshold	<ul style="list-style-type: none"> <li>Conducted with more than one source submitting an offer</li> <li>Price is not used as sole selection criteria.</li> <li>Fixed price or cost-</li> </ul>

		instead of state exemption for services	reimbursement type contract is awarded <ul style="list-style-type: none"> <li>• Cost or price analysis for purchases in excess of the Simplified Acquisition threshold</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 exigency or emergency</li> <li>• After soliciting from 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>