

## MEMORANDUM

TO: Business Managers, Food Service Managers/Directors & School Principals  
FROM: Rosie Krueger, State Director of Child Nutrition Programs  
SUBJECT: Updates to the Federal Micro-Purchase Threshold  
DATE: December 20, 2021

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### Updates to the Federal Micro-Purchase Threshold

Last week, the USDA sent out a memo, [Updates to the Federal Micro-Purchase Threshold in 2 CFR 200.320\(a\)\(1\)](#), clarifying the changes made to the Uniform Guidance regarding the Micro-Purchase Threshold. These changes went into effect as of November 2020. These changes apply to anyone operating the National School Lunch Program, School Breakfast Program, Seamless Summer Option, Child and Adult Care Food Program, and Summer Food Service Program. **Reminder:** Programs must also abide by State (Vermont Bid Law [16 V.S.A § 559](#)) and locally set thresholds.

### Micro-Purchase Distribution

Previously, government-wide regulations at 2 CFR 200.320(a) required that to the extent practicable, Program operators *must* distribute micro-purchases equitably among qualified suppliers. This language has been changed to state that to the maximum extent practicable, Program operators *should* distribute micro-purchases equitably among qualified suppliers ([2 CFR 200.320\(a\)\(1\)\(i\)](#)).

### Micro-Purchase Awarded Without Competition

Government-wide regulations at 2 CFR 200.320(a) previously stated that micro-purchases may be awarded without soliciting competitive quotations if the Program operator considers the price to be reasonable. This language has been updated to state that micro-purchases may be awarded without soliciting competitive price or rate quotations, if the Program operator “considers the price to be reasonable based on research, experience, purchase history or other information and documents it files accordingly.” ([2 CFR 200.320\(a\)\(1\)\(ii\)](#)).

### Micro-Purchase Thresholds

Government-wide regulations at 2 CFR Part 200 were updated to include new language around micro-purchase thresholds available to all Program operators. These are outlined below. Government-wide regulations at [2 CFR 200.320\(a\)\(1\)\(iii\)](#) now provide that Program operators



are “responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures.” The regulations also provide that the micro-purchase threshold used “must be authorized or not prohibited under State, local, or tribal laws or regulations.” Program operators may establish a micro-purchase threshold that is higher than the Federal threshold established in the Federal Acquisition Regulations (FAR), as outlined below.

*Increases to the micro-purchase threshold up to \$50,000*

Government-wide regulations at [2 CFR 200.320\(a\)\(iv\)](#) provide that Program operators may self-certify a threshold up to \$50,000 on an annual basis and must maintain documentation of such self-certification. Program operators choosing to self-certify must prepare and include a justification for the choice. The self-certification must include a justification, clear indication of the threshold, and supporting documentation of any of the following:

1. A qualification as a low-risk auditee, in accordance with the criteria in [2 CFR 200.520](#);
2. An annual internal institutional risk assessment to identify, mitigate, and manage financial risks; or
3. For public institutions, a higher threshold consistent with State law.