# SNP Memo #2021-2022-29


**COMMONWEALTH of VIRGINIA
Department of Education**

DATE: March 10, 2022

TO: Directors, Supervisors, and Contact Persons Addressed

FROM: Sandra C. Curwood, PhD, RDN, ***Sandy***

## SUBJECT: Updates to the Federal Micro-Purchase Threshold in 2 CFR 200.320(a)(1)

The purpose of this memorandum is to alert school and child nutrition program operators of updates made in the governmentwide micro-purchase regulations at 2 CFR 200.320(a)(1)(i)-(v). The memo can be accessed online via the link below:

* [SP 02-2022, CACFP 03-2022, SFSP 01-2022, Updates to the Federal Micro-Purchase Thresholds in 2 CFR 200.320(a)(1)](https://www.fns.usda.gov/cn/updates-federal-micro-purchase-threshold)

These regulations apply to all program operators conducting procurement activities using federal funds. Program operators must also continue to comply with the most restrictive state and/or local procurement thresholds.

The updates include a change to micro-purchase distribution requirements. Previously, operators using the micro-purchase procurement method were required to equitably distribute purchases among qualified suppliers. This requirement has been updated to state that, to the extent practicable, operators *should* distribute micro-purchases equitably among qualified suppliers. Regulations at 2 CFR 200.320(a) previously said that micro-purchases could be made if the program operator considered the price to be reasonable; the updated regulations now state micro-purchases may be made if the program operator *considers the price to be reasonable based on research, experience, purchase history, or other information*. This must be documented by the program operator.

The revised OMB guidance states that program operators are responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and documented procurement procedures, as long as the established threshold is authorized or not prohibited by state, local, or tribal laws or regulations. Program operators may self-certify a micro-purchase threshold up to $50,000 annually and must maintain documentation of the self-certification. The self-certification must include a justification, clearly stated threshold, and supporting documentation, such as:

* a qualification as a low-risk auditee;
* an annual internal institutional risk assessment; or
* for public institutions, a higher threshold that is consistent with state law.

Program operators may, in certain circumstances, request increases to the micro-purchase threshold over $50,000 from their cognizant agency for indirect costs. However, program operators should be mindful that the most restrictive state or local micro-purchase threshold as documented in their procurement policies and procedures must be followed.

For more information, please contact your assigned school or child nutrition program specialist or the SNP policy mailbox via email at SNPpolicy@doe.virginia.gov.

SCC/CEJ/cc