

# Procurement Decision Methods

## \$250,000

### Federal Small Purchase Threshold

*Sponsors must follow whichever threshold is lower, Federal, State, or local.*

<p><b>INFORMAL METHOD</b> <u>Below</u> the small purchase threshold</p>	<p><b>THE PROCESS</b></p> <ol style="list-style-type: none"><li>1. Develop solicitation document</li><li>2. Obtain and document quotes</li><li>3. Evaluate and Award</li><li>4. Manage the contract</li></ol> <p>Note: The Micro-Purchase Method is allowed under the \$10,000 threshold.</p>
<p><b>FORMAL METHOD</b> <u>Above</u> the small purchase threshold</p>	<p><b>THE PROCESS</b></p> <ol style="list-style-type: none"><li>1. Develop solicitation and specifications</li><li>2. Publicly publish solicitation</li><li>3. Evaluate and Award</li><li>4. Manage the contract</li></ol>

## Regulations

**State Law:**

Michigan Revised School Code Section [380.1267](#) and [380.1274](#)

**Federal:**

Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards  
[2 CFR Part 200.318 - Procurement Standards](#)

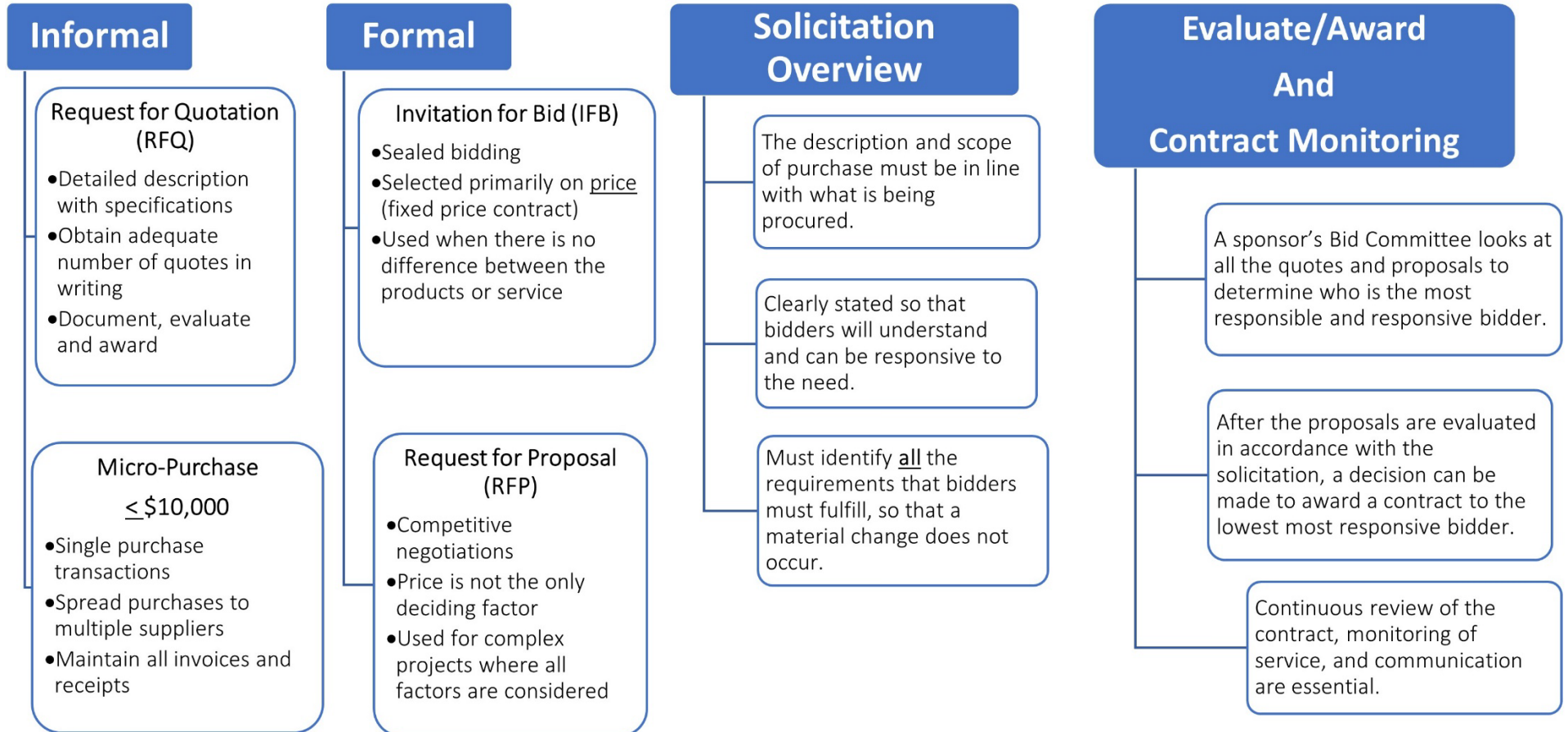
Federal Micro-Purchase and Simplified Acquisition Thresholds for Procurement Memorandum:

[Federal Micro-Purchase and Simplified Acquisition Thresholds | Food and Nutrition Service \(usda.gov\)](#)

National School Lunch Program [7 CFR 210.21](#)  
School Breakfast Program [7 CFR 220.16](#)

Summer Food Service Program [7 CFR 225.17](#)  
Child and Adult Care Food Program [7CFR 226.22](#)

# Procurement Types and Terms



## Purchasing Methods for Unique Circumstances Outside Customary Purchasing Methods (Non-Competitive Proposals)

### Single Source

May be used when one or more apply:

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- Item is available from a single source
- Emergency for the requirement will cause a delay resulting from a competitive solicitation
- Written request from Sponsor to MDE (approval is required)
- After solicitation of several sources, competition is determined inadequate

### Emergency Procurement

MDE approval and documentation of the following is required for a one-time unforeseen event:

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- Distributor, processor, or other supplier cancelled of food or supply contracts, deliveries, orders, emails, and phone call notes.
- Distributor, processor, or other supplier is no longer able to provide food as ordered, or failed to consistently deliver goods. Retain emails from distributor, invoices or packing slips with info on cancelled or replaced products, phone call notes including name of contact person, date of call(s), time, and all details related to the call(s).
- Food and supplies being procured, dollar amount(s), and how the emergency procurement was handled, i.e., obtained through negotiation, phone, email, etc.

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## Contact and Resource Information:

General Procurement: [General Procurement email](#)  
Procurement Resources: [Resources \(michigan.gov\)](#)  
Equipment: [Equipment email](#)  
Food Service Contracts: [Food Service Contracts email](#)

Special note: Food Service Contract Procurement and Equipment purchases have additional requirements to each process. Contact MDE at the email addresses above for questions and to request sample documents.