

**MANAGEMENT MEMO**

SUBJECT:	NUMBER: <b>MM 07-10</b>
<b>INCREASES TO THE DOLLAR THRESHOLDS FOR CONDUCTING INFORMAL COMPETITIVE SOLICITATIONS FOR NON-IT GOODS AND IT GOODS AND SERVICES AND FOR SPECIFIC LEVERAGED PROCUREMENT AGREEMENTS</b>	DATE ISSUED: December 10, 2007
REFERENCES: Public Contract Code 10301, 12102, 10290.1, 12101.5 and Government Code 14600	EXPIRES:  DECEMBER 10, 2008
	ISSUING AGENCY: DEPARTMENT OF GENERAL SERVICES

**PURPOSE**

In accordance with the Public Contract Code (PCC), the Director of the Department of General Services (DGS) has increased the dollar thresholds for conducting informal competitive solicitations for non-information technology (non-IT) goods from \$50,000 to \$100,000 and for information technology (IT) goods and services from \$500,000 to \$1,000,000. In addition, there are specific Leveraged Procurement Agreement (LPA) sub-category purchasing authority dollar threshold increases.

**BACKGROUND**

Pursuant to PCC sections 10301 and 12102, the dollar thresholds for conducting informal competitive solicitations are established by the Director of the DGS. PCC sections 10290.1 and 12101.5 require the DGS to administer LPA purchasing authority dollar thresholds.

**INFORMAL  
COMPETITIVE  
PURCHASING  
AUTHORITY  
THRESHOLDS**

These increases are automatic for State departments with approved purchasing authority at the informal dollar threshold levels. For additional information about purchasing authority, see the State Contracting Manual (SCM) Volume 2, Chapter 1 at:  
<http://www.pd.dgs.ca.gov/deleg/PAMchapter01.htm#t1>.

**LPA  
PURCHASING  
AUTHORITY  
THRESHOLDS**

These dollar threshold increases are automatic only for State departments with currently approved LPA purchasing authority in the specified sub-categories contained in this memo.

**INCREASED  
LIMITS**

The two tables on the next page list the increased dollar thresholds discussed in this management memo. All other dollar thresholds not cited in the tables below remain the same. More information about categories and dollar thresholds can be found in the SCM Volume 2, Chapter 1, Topic 3 at:  
<http://www.pd.dgs.ca.gov/deleg/PAMchapter01.htm#t3>.

**STATE ADMINISTRATIVE MANUAL**

Informal Competitive Dollar Thresholds		
	Prior Threshold	New Threshold
Non-IT Goods	\$50,000	\$100,000
IT Goods and Services	\$500,000	\$1,000,000

Leveraged Procurement Agreement Dollar Thresholds			
Sub-Categories	Types	Prior Threshold	New Threshold
<b>Software License Program (SLP)</b>	IT Goods and Services	\$500,000	\$2,000,000
<b>State Price Schedule (SPS)</b>	Non-IT Goods	\$25,000	\$100,000
	IT Goods and Services	\$25,000	\$100,000
<b>Master Agreements</b>			
Cooperative Agreements (WSCA, NASPO, etc.)	IT Goods and Services (Only)	\$500,000	Unlimited
Master Service Agreements (MSA)	Non-IT Service	\$250,000	\$500,000
	IT Goods and Services	\$500,000	\$1,500,000

**CONTACT**

For questions regarding purchasing authority and dollar threshold information discussed in this management memo, please contact the DGS/PD's Purchasing Authority Management Section at: [pams@dgs.ca.gov](mailto:pams@dgs.ca.gov).

For policy questions regarding issues discussed in this management memo, please contact the DGS/PD's Policies and Procedures Office at: [ppo@dgs.ca.gov](mailto:ppo@dgs.ca.gov).

**SIGNATURE**

Original signed by Will Bush, Director

---

Will Bush, Director  
Department of General Services