

	<p><b>MT. DIABLO UNIFIED SCHOOL DISTRICT</b> Governing Board</p>	<p>RESOLUTION 23/24-77</p>
<p>SELF-CERTIFYING INCREASED FEDERAL MICRO-PURCHASE THRESHOLD</p>		

**WHEREAS**, pursuant to 48 C.F.R. § 2.101, and acquisition of supplies or services below the threshold of \$10,000 is, for the purpose of federal law, a “micro-purchase” which does not require formal procurement methods such as competitive bidding;

**WHEREAS**, the MT DIABLO UNIFIED SCHOOL DISTRICT (“District”) is currently bound by the federal micro-purchase threshold of \$10,000 for applicable transactions funded by federal funds;

**WHEREAS**, pursuant to 2 C.F.R. § 200.320, non-federal entities, including local public school districts, may annually self-certify a micro-purchase threshold of up to \$50,000 if (1) the non-federal entity qualifies as a low-risk auditee, (2) the non-federal entity has an annual internal institutional risk assessment to identify, mitigate, and manage financial risks, or (3) a high threshold would be consistent with state law;

**WHEREAS**, the District may permissibly self-certify a higher micro-purchase threshold under the third potential justification set forth above because it would be consistent with state law, since California has higher thresholds. Specifically, California law requires competitive bidding of public project contracts above \$15,000, as further set forth in Public Contract Code § 20111, a copy of which is attached hereto as **Exhibit A**;

**WHEREAS**, for contracts and purchases for other goods and services, California generally requires competitive bidding for contracts and purchases over \$114,500. This threshold is in accordance with Public Contract Code § 20111(a), as has been adjusted pursuant to statute by the California Department of Education, as documented in the letter attached hereto as **Exhibit B**; and

**WHEREAS**, in accordance with the above, the District is justified in self-certifying a micro-purchase threshold of \$50,000 for contracts other than public projects and a threshold of \$15,000 for public projects.

**NOW, THEREFORE BE IT RESOLVED,**

1. The above recitals are true and correct.
2. The Board hereby self-certifies a limit of \$50,000 for federally funded micro-purchases that are not public projects provided that such purchases comply with all applicable laws, for the 2024/2025 Fiscal Year.

3. The Board hereby self-certifies a limit of \$15,000 for federally funded micro-purchases that are public projects provided that such purchases comply with all applicable laws.
4. The Board hereby instructs District staff to retain this resolution, as well as its exhibits, for a period of three years, in accordance with 2 C.F.R. § 200.334.

AYES:      NOES:      ABSENCES:      ABSTENTIONS:

---

Erin McFerrin, Board President

---

Linda Mayo, Board Vice  
President

---

Cherise Khaund, Board  
Member

---

Debra Mason, Board Member

---

Keisha Nzewi, Board Member

---

Dr. Adam Clark, Superintendent

---

*Resolution 23/24-77*

*Adopted at the meeting of the MDUSD Governing Board of Education on 06/26/2024*

---

***Exhibit A***

**PUBLIC CONTRACT CODE - PCC**

**DIVISION 2. GENERAL PROVISIONS [1100 - 22355]** *(Division 2 enacted by Stats. 1981, Ch. 306.)*

**PART 3. CONTRACTING BY LOCAL AGENCIES [20100 - 22185.11]** *(Part 3 added by Stats. 1982, Ch. 465, Sec. 11.)*

**CHAPTER 1. Local Agency Public Construction Act [20100 - 20929]** *(Chapter 1 added by Stats. 1982, Ch. 465, Sec. 11.)*

**ARTICLE 3. School Districts [20110 - 20118.4]** *(Heading of Article 3 amended by Stats. 1984, Ch. 1128, Sec. 7.)*

**20111.**

(a) (1) The governing board of any school district, in accordance with any requirement established by that governing board pursuant to subdivision (a) of Section 2000, shall let any contracts involving an expenditure of more than fifty thousand dollars (\$50,000) for any of the following:

(A) The purchase of equipment, materials, or supplies to be furnished, sold, or leased to the district.

(B) Services, except construction services.

(C) Repairs, including maintenance as defined in Section 20115, that are not a public project as defined in subdivision (c) of Section 22002.

(2) The governing board shall let the contract to the lowest responsible bidder who shall give security as the board requires, or else reject all bids.

(b) (1) The governing board shall let any contract for a public project, as defined in subdivision (c) of Section 22002, involving an expenditure of fifteen thousand dollars (\$15,000) or more, to the lowest responsible bidder who shall give security as the board requires, or else reject all bids. All bids for construction work shall be presented under sealed cover, and shall be accompanied by one of the following forms of bidder's security:

(A) Cash.

(B) A cashier's check made payable to the school district.

(C) A certified check made payable to the school district.

(D) A bidder's bond executed by an admitted surety insurer, made payable to the school district.

(2) Upon award to the lowest bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the school district beyond 60 days from the time the award is made.

(c) Procurement bid solicitations and awards made by a school district approved to operate at least one federal nonprofit child nutrition program for purchases in support of those programs shall be consistent with the federal procurement standards in Sections 200.318 to 200.326, inclusive, of Part 200 of Title 2 of the Code of Federal Regulations. These awards shall be let to the most responsive and responsible party. The price shall be the primary consideration, but not the only determining factor.

(d) This section applies to all equipment, materials, or supplies, whether patented or otherwise, and to contracts awarded pursuant to subdivision (a) of Section 2000. This section shall not apply to professional services or advice, insurance services, or any other purchase or service otherwise exempt from this section, or to any work done by day labor or by force account pursuant to Section 20114.

(e) Commencing January 1, 1997, the Superintendent of Public Instruction shall annually adjust the dollar amounts specified in subdivision (a) to reflect the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the prior fiscal year. The annual adjustments shall be rounded to the nearest one hundred dollars (\$100).

*(Amended by Stats. 2017, Ch. 395, Sec. 1. (SB 544) Effective January 1, 2018.)*

*Exhibit B*



**CALIFORNIA DEPARTMENT  
OF EDUCATION**

1430 N STREET, SACRAMENTO, CA 95814-5901 • 916-319-0800 • WWW.CDE.CA.GOV

**TONY THURMOND**  
STATE SUPERINTENDENT OF  
PUBLIC INSTRUCTION

December 5, 2023

Dear County and District Superintendents, County and District Chief Business Officials, and Charter School Administrators:

**Annual Adjustment to Bid Threshold for Contracts Awarded by School Districts**

*Public Contract Code (PCC)* Section 20111(a) requires school district governing boards to competitively bid and award any contracts involving an expenditure of more than \$50,000, adjusted for inflation, to the lowest responsible bidder. Contracts subject to competitive bidding include:

1. Purchase of equipment, materials, or supplies to be furnished, sold, or leased to the school district.
2. Services that are not construction services.
3. Repairs, including maintenance as defined in *PCC* Section 20115, that are not public projects as defined in *PCC* Section 22002(c).

The State Superintendent of Public Instruction (State Superintendent) is required to annually adjust the \$50,000 amount specified in *PCC* Section 20111(a) to reflect the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce, Bureau of Economic Analyst (BEA) for the 12-month period ending in the prior fiscal year. The inflation adjustment is rounded to the nearest one hundred dollars (\$100).

Pursuant to the above calculation, and effective January 1, 2024, the State Superintendent has determined that the inflation adjusted bid threshold will increase

from \$109,300 to \$114,500. Shown below are the inflation adjusted bid thresholds for the current and two prior years.

Also note that public projects as defined in *PCC* Section 22002(c), such as construction or reconstruction of publicly owned facilities, have a lower bid threshold of \$15,000 that is not adjusted for inflation. For more information on bidding requirements for all projects, refer to *PCC* sections 20110 to 20118.4.

Calendar Year	Bid Threshold	Percentage Change in Implicit Price Deflator
2022	\$99,100	2.48%
2023	\$109,300	10.32%
2024	\$114,500	4.79%

This letter is posted on the Office of Financial Accountability and Information Services Correspondence web page at <https://www.cde.ca.gov/fg/ac/co/>.

If you have questions regarding this matter, please contact the Office of Financial Accountability and Information Services by email at [sacsinfo@cde.ca.gov](mailto:sacsinfo@cde.ca.gov).

Sincerely,

John Miles, Administrator  
School Fiscal Services Division  
JM:ml

Last Reviewed: Friday, December 15, 2023