

OSPI Child Nutrition Programs

Reference Sheet

Procurement — Micro Purchases

Procurement is the process of purchasing goods and services. Micro-purchasing refers to the acquisition of supplies or services when the aggregate dollar amount does not exceed \$15,000 per transaction. Micro-purchasing is an informal procurement method. The aim of micro-purchasing is to efficiently handle small transactions and minimize administrative effort and costs.

Requirements

- The micro-purchase method applies when the total dollar amount does not exceed \$15,000 unless the sponsor has raised the micro-purchase threshold through self-certification* (refer to the Considerations section below for more information).
- Sponsors must document the use of the micro-purchase method in written procurement procedures.
- Sponsors must adhere to the most restrictive threshold.
- To the extent practicable, sponsors should distribute micro-purchases equitably among qualified suppliers.
- Quotes are not required if the sponsor deems the price to be reasonable based on research, experience, purchase history, or other information. The sponsor must maintain documentation to support their decision.
- **School Meal sponsors must comply with the Buy American Provision (BAP).** See the [OSPI Buy American Reference Sheet](#).
- All procurement records must be retained for three years plus the current year from the date the last invoice is paid, regardless of the procurement method used.

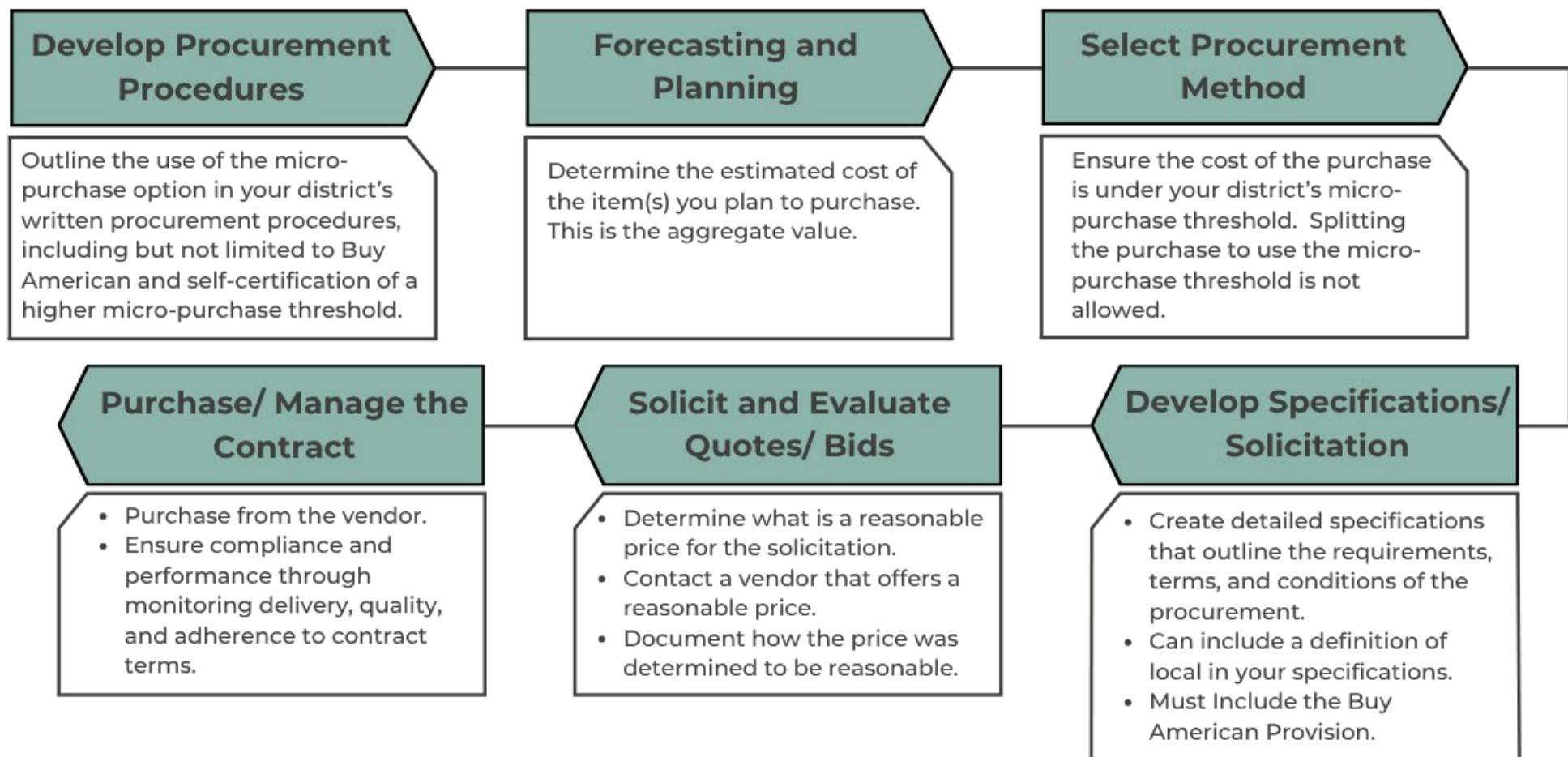
Considerations

- Operators can set a more restrictive threshold in procurement policies.
- * Sponsors may increase their micro-purchase threshold up to \$50,000 annually via self-certification. **School Districts are restricted to \$40,000 annually.** The self-certification must include:
 - A qualification as a low-risk auditee for the most recent audit.
 - An annual internal institutional risk assessment to identify, mitigate, and manage financial risks.
- Evaluate if consolidating solicitations would be more cost-effective.
- While not required, creating specifications for micro-purchases can help when trying to justify making purchases of seasonal items.
- Deliberately purchasing smaller quantities to stay under the threshold is prohibited.



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Micro-Purchase Process



Micro-purchase checklist

- Identify what product(s) are needed, in what quantity, and when.
- Estimate what a reasonable cost for the solicitation would be using past purchases, market research or personal knowledge.
- Confirm the purchase is eligible for the micro-purchase/informal method based on the aggregate value of the purchase and your organization's procurement policies and procedures. Consider whether consolidating purchases would be more cost-effective.
- Sponsors may develop specifications that clearly describe the product (type, size, variety), includes delivery expectations (timing, cleanliness, transport), and a definition of "local" if applying local as a specification.
- School Meals Sponsors — ensure compliance with the Buy American Provision.**
- Purchase from a qualified vendor, ensuring that you are distributing purchases equitably among qualified vendors.
- Document the purchase by recording item description, price, and justification of how you determined the price to be reasonable. Retain all records for three years plus the current year. See [Micro-Purchase Template – Local Procurement](#).

Utilizing Local

- Sponsors may contact local farmers or other local food vendors to purchase local foods.
- Utilizing grant funding that requires you to purchase locally grown foods (i.e. Washington Grown) justifies a separate solicitation from general food procurement.
- Specifications can include a definition of local if it meets the Geographic Preference requirements. For more information, see the [OSPI Geographic Preference Reference Sheet](#).

Reference

- [2 CFR Part 200 Subpart D - Procurement Standards](#)
- [2 CFR 200.320\(a\)\(1\)\(iv\) – Procurement \(Self – Certify\)](#)
- [7CFR 210.10 National School Lunch Program](#)
- [7CFR 215.14a Special Milk Program](#)
- [7CFR 220.16 School Breakfast Program](#)
- [7CFR 225.17 Summer Food Service Program](#)
- [7CFR 226.22 Child and Adult Care Food Program](#)
- [RCW 28A.335.190 Common School Provisions Bid Procedures](#)

Resources

- [CNS Procurement webpage](#)
- [OSPI - CNS Procurement in Child Nutrition Programs Trainings](#)
- [OSPI Procurement Reference Sheet](#)
- [OSPI Procurement Vocabulary Reference Sheet](#)
- [OSPI Micro-Purchase Template – Local Procurement](#)
- [OSPI Washington Grown Reference Sheet](#)
- [OSPI Geographic Preference Reference Sheet](#)

Acronym Reference

- CFR – Code of Federal Regulations
- LEA – Local Education Agency
- NSLP – National School Lunch Program
- OSPI – Office of Superintendent of Public Instruction
- USDA – United States Department of Agriculture

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