



Procurement Dollar Thresholds and Limits Guide

Dollar Amount	Threshold/Limit/Range	Notes	Reference
 \$0.00	All purchases requiring a signed contract (document with terms and conditions) must go through Strategic Sourcing and Acquisition Services (SSAS) including purchases using UMB Foundation funds		
\$4,999	P-Card Purchase Limit	Purchases under \$5,000 can be made by the end-using unit using the PCard. (For purchases under \$5,000 when vendor does not take PCard, submit a requisition.)	UMB <i>Corporate Purchasing Card Program User's Guide</i> - Section 1.1 See <i>PayPal Desktop Aid</i> for PCard purchase through 3rd party payment processor.
 \$5,000	All purchases \$5,000 and up must go through Strategic Sourcing and Acquisition Services (SSAS)		
\$25,000	Non-competitive Small Procurement Limit	For purchases not exceeding \$25,000 , competition is not required.	USM <i>Procurement Policies and Procedures</i> – Section V.A.3
\$25,000 - \$200,000	Competitive Simplified Procurement Range	For purchases between \$25,000 and \$200,000 competition shall be sought to the extent practical, as determined by the Procurement Officer.	USM <i>Procurement Policies and Procedures</i> – Section V.A.4
\$50,000	VCAF Notification Threshold for Sole Source Personal Services Contracts*	Prior notification must be given to the USM Vice Chancellor for Administration and Finance (VCAF), for Sole Source Personal Service contracts in excess of \$50,000 .	USM <i>Procurement Policies and Procedures</i> – Section VII.C.5
\$200,000	Simplified Procurement Limit	For purchases exceeding \$200,000 formal competition must be sought using Competitive Sealed Bidding or Competitive Sealed Proposals, or another appropriate procurement method (e.g. Sole Source, Emergency, Cooperative Purchase, etc.)	USM <i>Procurement Policies and Procedures</i> – Section VII.B–J
\$200,000	VCAF Notification Threshold for Sole Source Contract	Prior notification must be given to the VCAF, for Sole Source contracts in excess of \$200,000 .	USM <i>Procurement Policies and Procedures</i> – Section VII.C.3
\$500,000	VCAF Approval Threshold for Sole Source Contract	Prior approval must be obtained from the VCAF for Sole Source contracts in excess of \$500,000 .	USM <i>Procurement Policies and Procedures</i> – Section VII.C.4
\$1,000,000	VCAF Notification Threshold for certain Awards	Prior notification must be given to the VCAF for Any of the following Award Actions exceeding \$1,000,000 : Competitive Sealed Bids; Competitive Sealed Proposals; Unsolicited Proposals; Contracts Established by other Institutions, Organizations, or Agencies; (e) Qualifications-Based Selection Process; A/E Services	USM <i>Procurement Policies and Procedures</i> – Section VII.C.1
\$1,000,000	BPW Threshold	Capital improvement and service contracts and modifications to such contracts in excess of \$1,000,000 shall be submitted to the Board of Public Works (BPW) for approval.	USM <i>Procurement Policies and Procedures</i> – Section VII.D
\$5,000,000	BOR Threshold	The USM Board of Regents shall approve all procurement contracts** of \$5,000,000 or more prior to their execution.	BOR policy #VIII-3.10-Policy on Approval of Procurement Contracts

*PERSONAL SERVICE CONTRACT – A consulting or other service contract between the University and 1) an individual or 2) a business entity or partnership where the individual performing the work under the contract is the sole or a majority owner.

**See [VIII310 - USM \(https://www.usmd.edu/regents/bylaws/SectionVIII/VIII310.html\)](https://www.usmd.edu/regents/bylaws/SectionVIII/VIII310.html) for details and exceptions.