Procurement Using External Funding

Effective: 3/1/2018

Purchases that are made using External funds must follow acquisition procedures outlined in the Uniform Grant Guidance. The three cost-based methods of procurement are identified below:

**1** Micro-purchase (< $10,000):

*When the aggregate dollar amount for the acquisition of supplies or services does not exceed $10,000 the acquisition is considered a micro-purchase. To the extent practicable, the college must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the college considers the price to be reasonable.*

**2** Small purchase ($10,000 - $150,000):

*Small purchases should follow the relatively simple and informal procurement methods identified for securing services, supplies, or other property not exceeding the Simplified Acquisition Threshold of $150,000. The small purchase procedure requires, price or rate quotations from three qualified sources unless the purchaser can reasonably explain why the commodity they are purchasing is either a sole source or limited source product.*

**3** Sealed bids (> $150,000):

*When the acquisition cost exceeds $150,000, bids should be publicly solicited using formal advertising. A firm fixed price contract (lump sum or unit price) is awarded to the responsible lowest price bidder whose bid conforms to all the material terms and conditions of the invitation for bids. The sealed bid method is the preferred method for procuring construction, if certain conditions apply. For assistance with this process, please contact Macalester’s Purchasing and Accounts Payable Department.*

The full text from the Electronic Code of Federal Regulations is available via the link below:

[Electronic Code of Federal Regulations](#)