

Agency of Commerce and Community Development

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MEMORANDUM

To: All VCDP Grantees
From: Ann Kroll, Director of Grants Management
Re: Change in Procurement Thresholds
Date: September 13, 2018

Effective July 1, 2018, the federal government has changed the [thresholds for various contracting requirements](#). In accord with that federal change, the Vermont Community Development Program has likewise changed its procurement thresholds. This change will not have any effect on contracts that are already in process, but will give our grantees more flexibility for all future contracts and procurement.

Grantees, subgrantees and borrowers may now use [Micro-Purchase Procedures](#) for contracts up to \$10,000. Contracts under this threshold may be awarded without soliciting competitive quotations provided that the price is reasonable. Such purchases must be distributed equitably among qualified suppliers.

Grantees, subgrantees and borrowers may now use [Small Purchase Procedures](#) for contracts up to \$250,000. Contracts under this threshold may be awarded based on solicitation of competitive quotes from at least 3 qualified sources. Public advertising and sealed bids are not required.

Grantees, subgrantees and borrowers may still use a [Public, Sealed-Bid Procurement](#) process if they choose. Under these new rules, that process is only required for contracts that exceed \$250,000 in value.

Please be aware that we still expect all grantees, subgrantees and borrowers to ensure that they are getting the best value and spending their federal dollars wisely. The State will maintain its oversight over all procurement activities to ensure full compliance with all applicable requirements.

The Grants Management Guide has further information on procurement process and requirements. Both the Grants Management Guide – [Procurement Chapter](#) and the [Agency Procedures](#) have been updated to reflect these new thresholds.

If you have any questions, please contact Joe LeClair, our Grants Management Analyst. You can reach Joe at (802) 828-5226 or Joseph.Leclair@vermont.gov.

