



Thresholds & Processes for Arkansas Feeding Program Sponsors:
 Best Practices in Following Federal Procurement Thresholds & State Processes

The Department of Human Services (DHS) Office of Procurement follows the Federal procurement thresholds for USDA contracts for feeding programs. Federal thresholds determine the type of procurement that is used for each contract.

Micro Procurement/Small Purchases

Micro Procurement (federal law) or a Small Purchase (state law) is a procurement that does not exceed a total purchase price of \$20,000. Because of the modest price, small purchases **do not** have to be procured via competitive bids or competitive sealed bids. Reference: 2 CFR §200.320(a)

Small Procurement/Competitive Bid

A Small Procurement (federal law) or Competitive Bid (state law) is used when the total project cost of the contract exceeds \$10,000 and is less than \$250,000. A competitive bid requires that the Agency solicit at least three (3) bids from vendors. Cost is main factor in awarding the contract. Awards will be made to the lowest bid that meets the procurement requirements, criteria, and specifications. Reference: 2 CFR §200.320(b)

Sealed Bid/Invitation to Bid (IFB)

A Sealed Bid (federal law) or an IFB (state law) is the standard method of competitive procurement when the price exceeds \$250,000. An invitation to bid on the procurement is issued to the public and all bids are evaluated at the close of the offering. The contract is awarded to the lowest bidder that meets the invitation’s qualifications. Reference: 2 CFR §200.320(c)

Competitive Proposal/Request for Proposal (RFP)

A competitive proposal (federal law) or RFP (state law) are used when the contract exceeds \$250,000 and price is not the determining factor in the project. The problem the vendor proposing to solve, their experience with this type of work, and the strength plan are the main considerations in the evaluation—price is not a determining factor. Reference: 2 CFR §200.320(d)

Always follow federal thresholds and state processes in USDA contracts:

Federal Processes	State Processes	New Threshold
Micro Procurement	Small Order	<\$10,000
Small Procurement	Competitive Bid	\$10,000<\$250,000
Sealed Bid	Invitation for Bid (IFB)	>250,000
Competitive Proposal	Request for Proposal (RFP)	>250,000
Non-Competitive Bid	Sole Source	NA

Minority & Women-Owned Businesses

DHS supports and promotes economic development in Arkansas by utilizing minority, women, and veteran –owned businesses in our contracting and competitive bidding processes. Reference: Arkansas Code §15-4-303/Federal Code §7 CFR 226.22(f)

The Division of Minority Business Enterprise of the Economic Development Commission conducts a certification process for minority businesses.

Important Links & Resources

DFA Main Procurement Site:

<https://www.dfa.arkansas.gov/procurement>

OSP Solicitation Templates:

<https://www.dfa.arkansas.gov/procurement/procurement-forms-and-reporting/>

Bid Opportunities:

<http://www.arkansas.gov/dfa/procurement/bids/index.php>

Procurement Forms and Reporting:

<https://www.dfa.arkansas.gov/procurement/procurement-forms-and-reporting/>

Procurement Training:

<https://www.dfa.arkansas.gov/procurement/procurement-training/>

Arkansas Economic Development Commission site for Minority & Women-Owned Businesses

<https://www.arkansasedc.com/community-resources/Minority-and-Women-Owned-Business-Enterprise-Resources>

Code of Federal Regulations Title 2—Grants & Agreements:

https://www.ecfr.gov/cgi-bin/text-idx?SID=d81685851ecad46fd9fd46e3c3103fdb&mc=true&tpl=/ecfrbrowse/Title02/2tab_02.tpl

Code of Federal Regulations Title 7—Agriculture: Food & Nutrition Programs:

https://www.ecfr.gov/cgi-bin/text-idx?SID=d81685851ecad46fd9fd46e3c3103fdb&mc=true&tpl=/ecfrbrowse/Title07/7cfrv4_02.tpl#0

State of Arkansas Procurement Laws and Rules, Office of State Procurement:

<https://www.dfa.arkansas.gov/images/uploads/procurementOffice/lawsRegs.pdf>

Arkansas State Suspended/Debarred Vendor List:

<https://www.dfa.arkansas.gov/procurement/guidelines/state-suspended-debarred-vendor-list>

Federal Debarment List or System for Award Management (SAM):

<https://www.sam.gov/portal/SAM/##11>