



UNITED STATES DEPARTMENT OF COMMERCE
Chief Financial Officer
Assistant Secretary for Administration
Washington, D.C. 20230

**FAR CLASS DEVIATION
FINDINGS AND DETERMINATION
INCREASE TO SIMPLIFIED ACQUISITION THRESHOLD
Procurement Memorandum 2019-03**

Findings:

1. The National Defense Authorization Act (NDAA) for FY 2018 (Public Law 115-91) (Sections 806 and 805 respectively) increased the micro-purchase threshold (MPT) to \$10,000 and the simplified acquisition threshold (SAT) to \$250,000.

Additionally, Section 217(b) of the NDAA for 2017 (Public Law 114-328) changed a portion of the micro-purchase threshold definition in FAR 2.101 to increase the micro-purchase threshold to the following:

[f]or acquisitions of supplies or services from institutions of higher education (20 U.S.C. 1001(a)) or related or affiliated nonprofit entities, or from nonprofit research organizations or independent research institutes—

(i) \$10,000; or

(ii) A higher threshold, as determined appropriate by the head of the agency and consistent with clean audit findings under 31 U.S.C. chapter 75, Requirements for Single Audits; an internal institutional risk assessment; or State law.

2. The Civilian Agency Acquisition Council (CAAC) issued CAAC Letter 2018-02 on February 16, 2018 https://www.acquisition.gov/sites/default/files/page_file_uploads/CAAC%20Letter%202018-02.pdf authorizing agencies to issue class deviations pending publication of the formal amendment to the Federal Acquisition Regulation (FAR) via FAR case 2018-004.
3. CAAC Letter 2018-02 constitutes consultation in accordance with FAR 1.404 with the Chair of the CAAC allowing agencies to authorize a class deviation to implement the changes.

Discussion:

The Department is approving this class deviation exclusively to increase the threshold for the SAT to \$250,000. The MPT and Section 217(b) threshold increases authorized by CAAC Letter 2018-02 are not raised by this deviation (nor are existing purchase card limits).

Determination:

It is hereby determined that a class deviation is appropriate to increase the SAT and implement section 806 of the Pub. L. 115-91. This class deviation is effective upon the date of signature and will remain in effect until cancelled or the new threshold is incorporated into the FAR.

Barry E. Berkowitz
Senior Procurement Executive and
Director for Acquisition Management

Date