



**Georgia Dept  
of Early Care  
and Learning**

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Area Memo:  
Procurement

Programs CACFP, SFSP

## Updates to the Federal Micro-Purchase and Simplified Acquisition Thresholds for Procurement

### Purpose

This policy guidance explains how Georgia applies the updated federal procurement thresholds as of October 1, 2025 for Child Nutrition Programs. On August 27, 2025, OFPP, DoD, GSA, and NASA (collectively referred to as the Federal Acquisition Regulatory Council, or FAR Council) issued a final rule amending the Federal Acquisition Regulation (FAR) to further implement a statute, which requires an adjustment every five years of statutory acquisition-related thresholds for inflation. The adjustment uses the Consumer Price Index for all urban consumers and does not apply to the Construction Wage Rate Requirements statute, Service Contract Labor Standards statute, performance and payment bonds, and trade agreements thresholds. OFPP, DoD, GSA, and NASA are also using the same methodology to adjust non-statutory FAR acquisition-related thresholds in 2025. This same methodology is applied to Georgia's Child and Adult Care Food Program and Summer Food Service Program.

Note: Georgia DECAL will immediately notify CACFP/SFSP sponsors and institutions of any additional information received from USDA concerning this final rule.

### Legal Authority

[Federal Acquisition Regulation: Inflation Adjustment of Acquisition-Related Thresholds \(FAR Case 2024-001\)](#)

This memorandum supersedes DECAL Policy Memorandum, *Federal Micro-Purchase and Simplified Acquisition Thresholds for Procurement*, November 27, 2019.

Thresholds administered under Federal awards are referenced in [48 CFR 2.101 \(also known as FAR 2.101\)](#) and increased to the following starting October 1, 2025:

- Federal micro-purchase threshold—\$15,000 or less; and
- Federal SAT (as also known as the small purchase threshold)—\$350,000 or less.

- For Georgia sponsors: Micro-purchase = \$15,000; formal procurement is required when total contract value exceeds \$350,000 or any stricter state/local limit.

## Program Requirements

Agencies are required to implement these changes in the terms and conditions of their awards, and all recipients (State agencies and Program operators) of existing Federal financial assistance awards may implement the changes in their internal controls. In addition to the Federal thresholds, State and local agencies may set more restrictive micro-purchase and/or Simplified Acquisition Threshold (SAT) and thereby impose more restrictive procurement procedures, as authorized by 225.18(f) and 226.25(b).

**Procurement Thresholds in SFSP:** This memorandum updates existing procurement and contract thresholds referenced in Program regulations to the Federal SAT and the value in place effective October 1, 2025.

**Procurement Thresholds in the CACFP:** FNS seeks to simplify procurement and create more uniform procurement requirements for all Child Nutrition Programs. Therefore, this memorandum links existing procurement and contract thresholds referenced in the Program regulations to the Federal SAT. The specific CACFP regulations now linked to the Federal SAT are identified below.

**Institution FSMC contracts:** In the absence of State or local laws, and in addition to the procurement provisions in 7 CFR 226.22, State agencies may mandate that institutions with Program meal contracts of an aggregate value in excess of \$15,000 formally advertise such contracts and comply with procedures intended to prevent fraud, waste, and Program abuse (7 CFR 226.21(a)). Currently, regulations at 7 CFR 226.21(a)(1)–(7) identify the specific procedures, including 7 CFR 226.21(a)(7) which require bids totaling \$50,000 or more be submitted to the State agency for approval before acceptance. This memorandum updates the threshold at 7 CFR 226.21(a) and 226.21(a)(7) to link these to the [Federal SAT](#) currently set at \$350,000. The Federal SAT and the value in place effective October 1, 2025.

**Procurement standards:** 7 CFR 226.22(b)(1) identifies a small purchase threshold for purchases costing an aggregate dollar value of no more than \$15,000 unless a more restrictive State or local dollar limit applies (under \$15,000). This memorandum updates the \$15,000 threshold at 7 CFR 226.22(b)(1) and links this to the Federal SAT currently set at \$350,000. When established, a more restrictive State or local threshold applies.

## Comments

For questions concerning this memorandum, please contact DECAL's Procurement Compliance Specialist at (404) 656-2472.

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