MICRO PURCHASE DOCUMENTATION PROCEDURES

Purpose: This guidance is to help explain to a subrecipient agency what qualifies as a Micro Purchase and the procedures necessary to complete for the DMT review of an FTA funded Micro Purchase procurement.

MICRO-PURCHASE

Purchases under $3,000 may be completed using the Micro-Purchase procedures below. This threshold is established by the Federal Transit Administration (FTA); however, agencies may utilize their own established threshold based on local requirements as long as it does not exceed the federal limit. Micro purchase may be made without obtaining competitive quotations if the agency determines that the price to be paid is fair and reasonable (e.g., based on recent research, experience, or purchases). To the extent practicable, Agency shall distribute micro purchases equitably among qualified vendors.

The Agency shall not break down requirements aggregating more than the micro purchase threshold into multiple purchases (commonly called "bid splitting" or unbundling") merely to permit use of the micro purchase procedures or to avoid the requirements that apply to purchases above the micro purchase threshold (small purchase).

Procedures

1. Agency determines the item and quantity to be purchased based on the grant award.
2. Agency identifies and contacts the vendor/supplier to complete the purchase. Agency may also obtain quotes (orally or written), but it is not required. Agency must determine the price paid is reasonable. Price reasonableness normally will be based on a comparison with historical prices paid for the item, commercial catalog prices, or other offers.
3. Agency will complete the DMT Micro Purchase Documentation Form Section 1, 2, 3 and 4 and submit it to appropriate DMT program liaison. An independent cost estimate (ICE) is not required, but may be submitted with the form and can be as simple as a statement that the ICE is based on past purchases of the same or similar product , vendor survey, or market (internet) research.
4. Upon receipt of the Micro Purchase Documentation Form the DMT program liaison will verify the information, complete and sign Section 5, Caltrans Internal Use Only and respond to the agency with approval to proceed with the purchase.
5. The DMT Program Liaison will provide a copy of the DMT Micro Purchase Documentation Form to the Procurement Management Branch and maintain the original within the project file for audit purposes.
6. Subrecipient agency must keep documentation to support the method of purchase, basis for vendor selection and reasonableness of price. If competitive quotations were solicited and award was made to other than the low quote, documentation should include identification of solicited vendors and the reason for award decision.

DIVISION OF MASS TRANSPORTATION · FEDERAL PROCUREMENT MANAGEMENT BRANCH

MICRO PURCHASE DOCUMENTATION FORM

1. Subrecipient Information

Agency Name: _____

Contact: _____ Phone: _____ Ext.: _____

Address: _____ email: _____

City: _____ Zip Code: _____ Caltrans District: _____ County: _____

2. Project Information

Grant Program: _____ Grant Amount: _____ SA Number: _____

Project Description (Type and Quantity):

3. Micro Purchase Description

Vendor/Brand Name	Item/ Service Description	Unit Price	Quanity	Total Price

4. Price Determination & Required Certification

Independent Cost Estimate Attached: ☐ Yes ☐ No

I hereby determine the price to be fair and reasonable based on at least one of the following:

- ☐ Found reasonable on recent purchase
- ☐ Obtained from current price list
- ☐ Obtained from current catalog
- ☐ Similar to it in related industry
- ☐ Personal knowledge of item procured
- ☐ Regulated rate (utility)
- ☐ Commercial market sales price from advertisement
- ☐ Other: _____

Equitable Distribution & Fair and Reasonable Price Determination:

I, _____ certify that _____ (Agency name) distributed micro purchase equitably among qualified suppliers and the price is fair and reasonable. (FTA Circular 4220.1F, Chapter VI, 3.a(1), (2)(a), (c))

No Splitting:

I, _____ certify that _____ (Agency name) did not reduce the size of procurements merely to come within the micro purchase limit. (FTA Circular 4220.1F, Chapter VI, 3.a(2)(b))

Authorized Subrecipient Signature: _____ Date: _____

5. Caltrans Internal Use Only

Form completed and signed: ☐ Yes ☐ No

Price within micro purchase limits: ☐ Yes ☐ No

Independent Cost Estimate Attached: ☐ Yes ☐ No

Additional information needed for micro purchase approval:

DMT Staff Signature: _____ Date: _____

Manager Signature: _____ Date: _____