From:	Lena Young-Gallardo
To:	BSD-CBO List; BSD-FinMgrsMeet List; BSD-Purch Mgrs List
Cc:	BSD-ExecutiveStaffList
Subject:	Bid Limit Increase Effective January 1, 2024
Date:	Tuesday, January 23, 2024 4:31:37 PM
Attachments:	image001.png Bulletin -2024 Bid Threshold.pdf 2024 Bid Threshold Adjustment Letter - CDE.pdf

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Hi again,

I apologize for the delay in getting this out. Please see the attached bulletin and California Department of Education memorandum regarding the bid limit for calendar year 2024, including historical bid limit information.

Lena

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San Bernardino County Superintendent of Schools
Transforming lives through education

Ted Alejandre
County Superintendent

DATE: January 23, 2024

TO: Chief Business Officials and Directors of Purchasing and Fiscal Services
San Bernardino County School Districts (K-12, Community Colleges, ROP's)

SUBJECT: **Bid Limit Increase for 2024**

Effective January 1, 2024, the threshold has been increased for certain school district contracts which are required to be awarded to the lowest responsible bidder. **The new bid limit is $114,500.** Attached is the related bulletin from the California Department of Education.

The following types of contracts are impacted: 1) the purchase of equipment, materials, or supplies to be furnished, sold, or leased to the district; 2) services, except construction services; and 3) repairs, including maintenance, that are not a public project.

Shown below is a historical recap of bid limits throughout the years:

Effective Date	Bid Threshold	Percentage Change
January 1, 2013	$83,400	2.99%
January 1, 2014	$84,100	.858%
January 1, 2015	$86,000	2.26%
January 1, 2016	$87,800	2.12%
January 1, 2017	$88,300	0.626%
January 1, 2018	$90,200	2.20%
January 1, 2019	$92,600	3.39%
January 1, 2020	$95,200	2.76%
January 1, 2021	$96,700	1.57%
January 1, 2022	$99,100	2.48%
January 1, 2023	$109,300	10.32%

******Please note that the bid limit for public works contracts remains at $15,000.******

Sincerely,

Ted Alejandre
County Superintendent of Schools

Signed Lena Young-Gallardo
Lena Young-Gallardo, Director
District Financial Services

LYG:kb

Attachment – Memo from the California Department of Education Re: Annual Adjustment to Bid Threshold for Contracts Awarded by School Districts

California Department of Education
Official Letter

December 5, 2023

Dear County and District Superintendents, County and District Chief Business Officials, and Charter School Administrators:

Annual Adjustment to Bid Threshold for Contracts Awarded by School Districts

Public Contract Code (*PCC*) Section 20111(a) requires school district governing boards to competitively bid and award any contracts involving an expenditure of more than $50,000, adjusted for inflation, to the lowest responsible bidder. Contracts subject to competitive bidding include:

1. Purchase of equipment, materials, or supplies to be furnished, sold, or leased to the school district.

2. Services that are not construction services.

3. Repairs, including maintenance as defined in *PCC* Section 20115, that are not public projects as defined in *PCC* Section 22002(c).

The State Superintendent of Public Instruction (State Superintendent) is required to annually adjust the $50,000 amount specified in *PCC* Section 20111(a) to reflect the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce, Bureau of Economic Analyst (BEA) for the 12-month period ending in the prior fiscal year. The inflation adjustment is rounded to the nearest one hundred dollars ($100).

Pursuant to the above calculation, and effective January 1, 2024, the State Superintendent has determined that the inflation adjusted bid threshold will increase from $109,300 to $114,500. Shown below are the inflation adjusted bid thresholds for the current and two prior years.

Calendar Year	Bid Threshold	Percentage Change in Implicit Price Deflator
2022	$99,100	2.48%
2023	$109,300	10.32%
2024	$114,500	4.79%

Also note that public projects as defined in *PCC* Section 22002(c), such as construction or reconstruction of publicly owned facilities, have a lower bid threshold of $15,000 that is not adjusted for inflation. For more information on bidding requirements for all projects, refer to *PCC* sections 20110 to 20118.4.

This letter is posted on the Office of Financial Accountability and Information Services Correspondence web page at https://www.cde.ca.gov/fg/ac/co/.

If you have questions regarding this matter, please contact the Office of Financial Accountability and Information Services by email at sacsinfo@cde.ca.gov.

Sincerely,

John Miles, Administrator
School Fiscal Services Division
JM:ml

Last Reviewed: Friday, December 15, 2023