| **Funding Source** | **$0 - $10,000.00** | **$10,000.01 - $99,999.99** | **More than $100,000.00** | **Less than $250,000.00** |
| --- | --- | --- | --- | --- |
| Federal | No competition required if the **price is reasonable** (informal competition encouraged) | Informal competitive proposals **required** from three or more sources\* | Formal RFx solicitation conducted by SCM **required**\*\* | Certified Diverse Business informal competitive proposals option. Quotes from 2 or more matching diverse business classifications. FAR (15 U.S.C. 631) |
| Non-Federal | No competition required if the **price is reasonable** (informal competition encouraged) | Informal competitive proposals **encouraged** from three or more sources | Formal RFx solicitation conducted by SCM **required**\*\* | Certified SB/DVBE (Small/Disabled Veteran) informal competitive proposals option Quotes from 2 or more matching diverse classifications. PCC (10508.5) |

**Reasonable Price**

Reasonable price can be established by market test, price or cost analysis, or the experience and judgment of the Buyer. Such judgment considers total value to the University. There is value to the University in purchases which meet the University's needs, such as those involving quality, quantity, delivery and service. A reasonable price need not be the lowest price available, but offers the highest total value to the University.

**Exemptions to Competitive Bidding**

UC Berkeley is committed to a policy of competitive procurement when competition is known to exist. However, there are certain cases where departments may be granted a bid exemption. Work with your SCM Buyer to determine if the goods and/or services may be exempt from bidding requirements.

A [UCOP Source Selection & Price Reasonableness (SSPR) Justification Form](https://supplychain.berkeley.edu/procurement/procurement-forms) must be completed by the requesting department to substantiate the appropriateness of a bid exemption request for all federally-funded purchases more than **$10,000** and non-federally funded purchases more than **$100,000** for federal and state audits. For more information on bid exemptions visit [UC Berkeley’s Supply Chain Management Website](https://supplychain.berkeley.edu/procurement/rfx-competitive-bidding).

**Split Orders**

Requirements for purchases shall not be artificially divided into separate transactions to avoid competition as defined in[University of California BFB-BUS-43 Purchases of Goods and Services](https://policy.ucop.edu/doc/3220485/BFB-BUS-43);

Contact your Supply Chain Management [Buyer](https://supplychain.berkeley.edu/campus/how-purchase/contact-your-buyer) for assistance with any competitive bidding questions.

**\***As required by [**2 CFR § 200.320**](https://www.law.cornell.edu/cfr/text/2/200.320), departments must obtain three (3) competitive quotes, bids or proposals for a purchase transaction more than $10,000.00.

**\*\***[**California Public Contract Code (PCC), sections 10507.7 et seq**](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=PCC&division=2.&title=&part=2.&chapter=2.1.&article=2.)., requires the University of California to formally competitively bid the purchase of goods and/or services that exceed $100,000 per annual year unless an exception applies and the basis for the award is documented in writing. Requirements for goods and services should be publicly advertised.