

Appendix A: Signed Self-Certification of an Increase to the Micro-Purchase Threshold for Knox County, Fiscal Year 2024

Knox County, Tennessee

Annual Self-certification of a Micro-purchase Threshold Higher than the Micro-purchase Threshold Established in the Federal Acquisition Regulations

Effective Date: December 1, 2023

Annual Self-Certification Date: **July 15, 2024 (FY 2025)**

The Uniform Guidance (2 CFR 200) requires Knox County to have and use documented procurement procedures, consistent with the standards of 2 CFR §§200.317, 200.318, 200.319 and 200.320 for the acquisition of property, supplies, or services required under Federal awards (or subawards). Per 2 CFR §200.320 (a), Knox County, as a non-Federal entity, may use informal procurement methods to expedite the completion of its transactions and minimize the associated administrative burden and cost.

Under §200.320, Knox County is responsible for determining and documenting an appropriate micro-purchase threshold¹ based on internal controls, an evaluation of risk, and its documented procurement procedures. Knox County may establish (self-certify) a micro-purchase threshold higher than the micro-purchase threshold established in the Federal Acquisition Regulations (FAR), up to \$50,000, in accordance with the documentation requirements of §200.320. The purchase threshold, and supporting documentation of any of the following:

- (A) A qualification as a low-risk auditee, in accordance with the criteria in §200.520 for the most recent audit;
- (B) An annual internal institutional risk assessment to identify, mitigate, and manage financial risks; or,
- (C) For public institutions, a higher threshold consistent with State law.

The purpose of this memo is to document Knox County's self-certification process in accordance with §200.320 (a) (1) (iv) and its election to rely upon the procurement threshold requirements under Tennessee State law when acquiring property, supplies, and services under Federal awards as allowable under item (C) above.

I. Justification

Knox County has certain authorities under its charter form of government to modify its policies, guidance, and/or procedures concerning procurement activities.

¹ *Micro-purchase threshold* means the dollar amount at or below which a non-Federal entity may purchase property or services using micro-purchase procedures (see §200.320).

Knox County Procurement Code identifies a threshold of \$25,000 for small procurements requiring a single quote and \$25,000.01 to \$50,000.00 for purchases requiring informal bidding (three written quotes). Aligning the micro-purchase threshold for grants-related procurements with the small procurements threshold is in the interests of Knox County.

According to its most recent Single Audit Report for FY 2022, Knox County qualifies as a low-risk auditee.

II. Clear Identification of the Micro-purchase Threshold

Based on the State and County procurement requirements outlined above and the most recent Uniform Guidance dated November 12, 2020, Knox County elects to align the micro-purchase threshold with the County small procurement threshold of \$25,000. Purchases under this elected micro-purchase threshold may be awarded without soliciting competitive price or rate quotations if the County considers the price to be reasonable based on research, experience, purchase history, or other information and documents it files accordingly.

III. Supporting Documentation of Knox County's Election to Self-Certify a Higher Micro-Purchase Threshold than identified in the FAR:

This memorandum and supporting documentation will be maintained Online at Purchasing - Knox County Tennessee. This memorandum will also be included in the most recent revision of the Knox County Procurement Grants Procedures. Supporting documentation includes a copy of Knox County's most recent Single Audit Report for FY 2022.

Signature: _____



Name (print): Matthew F. Myers

Title: Director of Procurement

Date: _____

1-3-2024