



**Department of General Services
Procurement Division**

707 Third Street, Second Floor, West Sacramento, CA 95605
(916) 375-4400 (800) 559-5529

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**TO: Purchasing Authority Contacts (PACs)
Procurement and Contracting Officers (PCOs)
Small Business (SB) and Disabled Veteran Business Enterprise (DVBE)
Advocates**

**RE: SB and DVBE Option Acquisition Methods - Dollar Threshold Increase for
Public Works Contracts**

Purpose This Broadcast Bulletin announces the dollar threshold increase to the SB and DVBE Option Acquisition Methods for public works contracts only.

Policy The dollar threshold for the SB and DVBE Option Acquisition Methods for public works contracts is increased from \$388,000 to \$461,000 pursuant to Budget Letter (BL) 24-04: The State Contract Act - Project Cost Threshold Adjustments, issued by the Department of Finance (DOF) on February 1, 2024.

Background Government Code (GC) 14838.7 and subdivision (b) of Section 10105 of the Public Contract Code (PCC) provide the DOF with authority to adjust the dollar threshold noted herein. DOF issues a Budget Letter (BL) biennially to communicate increases to the dollar threshold applicable to public works contracts awarded using the SB or DVBE Option Acquisition Method.

Procedure/Process The State Contracting Manual (SCM) Volume 1 contains guidance about conducting acquisitions for public works, including the use of the SB and DVBE Option Acquisition Methods and the execution of contracts. SCM Volume 1 is found on the DGS Office of Legal Services (OLS) web page [here](#).

Questions For any questions regarding the new dollar thresholds and how they impact the procurement process for public works contracts, please refer to the detailed guidelines provided in Budget Letter 24-04 [here](#), and the State Contracting Manual Volume 1.

Please contact the Office of Small Business and DVBE Services at OSDShelp@dgs.ca.gov.