



**Department of General Services
Procurement Division**

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**TO: Purchasing Authority Contacts (PACs)
Procurement and Contracting Officers (PCOs)**

**RE: Information Technology Interagency Agreement Acquisition Method Dollar
Threshold Increase**

Purpose	This Broadcast Bulletin communicates an increase in the dollar threshold for the Information Technology (IT) Interagency Agreement (IAA) acquisition method.
Policy	Effective immediately, the IAA acquisition method dollar threshold for IT transactions is increased to \$2,000,000.00 for Purchasing Authority Tiers 1, 2, and 3, except contracts with a California State University (CSU) or University of California (UC).
Background	The State Contracting Manual (SCM), Vol. 2, Section 1509 provides guidance and defines an IAA as an agreement between two or more state departments (Government Code, Section 11256) with one performing work for the other state department(s).
Procedure/Process	<p>This increase pertains to item #8 "Interagency Agreement (IAA)(Limited to \$50,000.00 if IAA with CSU or UC)" on the Purchasing Authority Approval Letters (PAAL). IT IAA Purchasing Authority for Tiers 1, 2, and 3 is increased from \$1,000,000.00 to \$2,000,000.00. This does not apply to contracts with a CSU or UC, which remain at \$50,000.00.</p> <p>PAALs for all four tiers are located on Procurement Division's webpage.</p> <p>Individual departmental PAALs will be updated during Accreditation.</p> <p>Implement this new dollar threshold by updating internal policy and procedures to reflect the IT IAA dollar threshold change.</p> <p>For each transaction:</p> <ul style="list-style-type: none">• Adhere to State Contracting Manual, Vol. 2. guidance.• Apply applicable pre-procurement requirements (e.g., California

Department of Technology (CDT) policy in the State Administrative Manual).

- Confirm procurement authority; IT IAA transactions RELATED to non-delegated IT projects are subject to CDT's IT project procurement authority (see referenced policy in [BB P-10-18 Information Technology \(IT\) Project Procurement Authority - 2018 Legislation](#)).
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Questions

Please email PAMS@dgs.ca.gov.