



**Department of General Services
Procurement Division**

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

Broadcast Date: November 7, 2025

Bulletin #: P-10-25

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

RE: Increase to State Entities' Purchasing Authority Dollar Thresholds

Purpose	This Broadcast Bulletin announces changes to the Purchasing Authority Tier system and the associated acquisition method dollar thresholds.
Policy	For state entities with non-Information Technology (IT) goods and IT goods and services purchasing authority delegated by the Department of General Services, Procurement Division (DGS-PD), effective immediately, current Tier acquisition method dollar thresholds have been increased to the levels identified in the Purchasing Authority Approval Letter (PAAL) documents on DGS-PD's webpage. In addition, changes to the Tier system were implemented by consolidating into three Tiers and placing all state entities in one of three Tiers. The DGS-PD webpage identifies each state entity's Tier level for reference.
Background	DGS-PD identified increased dollar thresholds by considering various statutes, a Consumer Price Index (CPI) calculation, consolidation of the Tier system, and opportunities to align dollar values with similar contracting processes outside of DGS-PD's purview.
Procedure/Process	<p>The three new Tiers reflect updated dollar thresholds for most acquisition methods. State entities currently assigned to Tier 1, 2, and 3 will remain assigned to those Tiers (with increased dollar thresholds) while the two state entities in Tier 4 will be consolidated into Tier 3 (that now reflects increased dollar thresholds).</p> <p>State entities are required to update their policy and procedure manuals by March 31, 2026, with updated dollar thresholds, process flows, approval charts and any procurement requirements based on the increased authority.</p> <p>Individual state entity PAALs will be updated by December 31, 2025. In the meantime, PAALs with updated dollar thresholds for all three Tiers are located on DGS-PD's webpage.</p>

For all transactions carried out under the new dollar thresholds, state entities must:

1. Adhere to applicable procurement procedures in the State Contracting Manual (SCM) [Vol. 2](#) for each acquisition method, including but not limited to, advertising, competition and file documentation.
2. Apply applicable pre-procurement requirements (e.g., California Department of Technology (CDT) policy in the State Administrative Manual, Government Code [Section 19130](#) justification).
3. Confirm procurement authority; 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](#)).

On the new PAAL, the "Informal" and "Formal" competitive acquisition methods have been combined into one line titled "Open Market Competitive;" there have been no changes to competitive policies in SCM Vol. 2, [Chapter 14](#), based on this line-item consolidation.

Questions

Contact the Statewide Procurement Oversight and Consulting Unit at PAMS@dgs.ca.gov.