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Bid Limit Increase Effective January 1, 2018

In accordance with requirements of the Public Contract Code Section (PCC) 20111(a), the State Superintendent of Public Instruction (SSPI) adjusted the bid limit that governs competitive bid contracts. The bid limit was increased by 2.20% to \$90,200, effective January 1, 2018. This higher bid limit only applies to (1) the purchase of equipment, materials, and supplies; (2) services, except construction services; and (3) repairs, including maintenance as defined in PCC 20115, that are not public projects as defined in PCC 22002(c). The \$15,000 threshold for construction contracts under PCC 20111(b) remains unchanged.

Pursuant to PCC 20111, the bid amount is increased to reflect the percentage change in the annual average value of the Implicit Price Deflator. This was not always the case, however, as the bid limit was originally set at a fixed amount and only later increased, and more importantly, indexed to inflation.

A copy of the California Department of Education's correspondence is posted to their website and can be found by clicking <u>here</u>.

—Brianna García

posted 01/02/2018