# Purchasing Thresholds

**Effective July 1, 2018**

Applies to Transit Agencies using Federal and State Funds. Some exclusions may apply. Contact the Transit Division with any questions.

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<th>Level</th>
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| **Level 1**<br>“Micro” Purchase<br>Less than $10,000 | Obtain at least one fair and reasonable quote.  
**Note:** Equipment and software must be added to inventory if $5,000 or greater. Add to BlackCat and RouteMatch inventory.  
Rotate vendors solicited on an equitable basis (N.D.A.C. § 4-12-08-02) | Documentation is required.  
Alternate Procurement form not required if multiple quotes not solicited. |
| **Level 2**<br>Small Purchase<br>At least $10,000 but less than $50,000 | Solicit informal quotes/bids or proposals from at least three vendors. Online vendors are acceptable.  
**Note:** If purchasing ADA vehicles off the State Bid, approval required from Transit Division before ordering.  
**Note:** Assets (vehicle, equipment, software, etc.) must be added to inventory if $5,000 or greater. Add to BlackCat and RouteMatch inventory | Documentation is required.  
Alternate Procurement form required if competition is not solicited from at least three vendors.  
The form is not required if three vendors are solicited and fewer than three bids or proposals are received. |
| **Level 3**<br>Informal Written Purchase<br>At least $50,000 but less than $100,000 | Solicit informal bids or proposals. Requires DOT approval  
**Note:** If purchasing ADA vehicles off the State Bid, approval required from Transit Division before ordering.  
**Note:** Assets (vehicle, equipment, software, etc.) must be added to inventory if $5,000 or greater. Add to BlackCat and RouteMatch inventory | Documentation is required  
Alternate Procurement form required if:  
Competition is not solicited.  
Approval required before purchase. |
| **Level 4**<br>Formal Purchase<br>$100,000 and over | Must be purchased using formal sealed bids or Request for Proposal (RFP), requires DOT approval.  
**Note:** If purchasing ADA vehicles off the State Bid, approval required from Transit Division before ordering.  
**Note:** Assets (vehicle, equipment, software, etc.) must be added to inventory if $5,000 or greater. Add to BlackCat and RouteMatch inventory | Documentation is required.  
Alternate Procurement required if:  
Competition is not solicited, or competition is limited. Approval required before purchase. |