

Commissioner's Memo
5/16/2022

2022-2023 Purchase Price Threshold for Bidding Commodities

Memo Information

Memo Number	FIN-22-039
Memo Date	5/16/2022
Memo Type	Informational
Unit	Fiscal & Administrative Services
Regulatory Authority	Ark. Code Ann. § 6-21-304
Response Required	NO
Attention	Federal Programs; Superintendents; Principals; Technology Coordinators; Test Coordinators; General Business Managers; Teachers; Gifted & Talented Coordinators; Curriculum Coordinators; Bookkeepers; School Counselors; Techstart Coordinators or Contact Name; CTE Coordinator (COOPs and regular school districts)

Primary Contact Information

Name	Anita Freer
Phone Number	501-682-4484
Email	Anita.Freer@ade.arkansas.gov

Memo Text

Ark. Code Ann. § 6-21-304 requires the Commissioner of Elementary and Secondary Education to adjust the purchasing threshold for bidding amounts under Ark. Code Ann. § 6-21-304(a)(1)(A) by the percentage change in the Consumer Price Index (CPI) for All Urban Consumers or its successor. This adjustment shall be done by July 1 of each year.

The increase in the CPI for this category during the 12-month period ending April 2022 was 6.56%. Statute allows the final amount as adjusted under subdivision (a)(1)(B)(i) to be rounded up to the nearest one hundred dollars. Therefore, the purchasing threshold for bidding under Ark. Code Ann. § 6-21-304 will increase from \$21,604 to \$23,100 for the 2022-2023 school year.

See below for calculation:

	Purchasing threshold for bidding under Ark. Code. § 6-21-304	CPI – All Urban Consumers	Percentage Change for the 12 month period
2021-2022	\$21,604	\$260.926	1.79%
2022-2023	\$23,100	\$278.049	6.56%

While the legislation does not provide a specific source for the CPI data, the Arkansas Department of Education (ADE) recognizes the Bureau of Labor Statistics' as a valid source of CPI data.

The CPI data used for the percentage increase calculation is found at <https://data.bls.gov/cgi-bin/surveymost?bls>.

Under "Price Indexes", choose CPI for All Urban Consumers (CPI-U) 1982-84=100 – CUUR0000SA0. Scroll down to the bottom of the page and click on "Retrieve Data".

Please note that, if your district sets a lower threshold in policy, you must adhere to the district's more restrictive policy. Additionally, for purchases using federal funds, you must consult federal procurement law and use the more restrictive threshold.