

We [previously reported](#) on significant revisions to the implementation of TINA in the Federal Acquisition Regulation, as implemented by Federal Acquisition Circular (FAC) 2005-45 on August 30, 2010. FAC 2005-45 also implemented changes to key acquisition-related thresholds, based on inflation adjustments calculated from changes to the Consumer Price Index. Every five years, the FAR Councils review the CPI changes and adjust certain “heavily used” thresholds.

These thresholds matter, because they determine when various FAR contract compliance requirements kick-in. Put another way, in order to ascertain the compliance risk associated with a solicitation or contract, one looks at which FAR requirements are invoked—and those requirements vary based on which acquisition threshold has been invoked.

We reported on the proposed rule changes [here](#). As the FAR Councils stated, between the proposed rule and the final rule, “some of the thresholds changed due to lower inflation than was projected at the time of publication of the proposed rule.”

The [final rule](#) establishes the following acquisition-related thresholds—

Final Inflation Adjustments to Acquisition Thresholds

Written by Administrator

Thursday, 02 September 2010 00:00

-

The micro-purchase base threshold of \$3,000 (FAR 2.101) is not changed.

-

The simplified acquisition threshold (FAR 2.101) is raised from \$100,000 to \$150,000.

-

Commercial items test program ceiling (FAR 13.500) is raised from \$5,500,000 to \$6,500,000.

-

The cost or pricing data threshold (FAR 15.403-4) is raised from \$650,000 to \$700,000.

-

The prime contractor subcontracting plan (FAR 19.702) floor is raised from \$550,000 to \$650,000, and the construction threshold of \$1,000,000 increases to \$1,500,000.