

# Stanford Linear Accelerator Center

## Financial Policies and Procedures

### **PROCUREMENT ALLOCATION CAP For Single Procurements over \$500k**

Since there are diminishing benefits from the procurement pool elements in proportion to the major procurements, SLAC has determined that the procurement allocation will not be applied for single procurements beyond the first \$500,000. (Procurements include purchase orders, subcontracts, or memorandum purchase orders.)

The procurement cap will apply to a single order that is awarded to a single vendor with an original procurement value in excess of \$500,000. The procurement cap will also apply in the case of supplemental orders where a single change order has a value in excess of \$500,000. For multi-year orders which are awarded in annual increments because of budgetary limitations, the procurement cap will apply annually if the annual incremental award value is in excess of \$500,000.

The procurement cap will not apply to contract staffing purchase orders nor does it apply to blanket purchase orders (BPO's).