



**Organización de los Estados Americanos**  
**Organização dos Estados Americanos**  
**Organisation des États américains**  
**Organization of American States**

Date: 3/28/2008

D-01/08

**To:** The Assistant Secretary General, the Secretaries and Executive Secretaries, Directors, and all other Members of Staff

**From:** José Miguel Insulza, Secretary General

A handwritten signature in blue ink, appearing to be "JMI", written over a horizontal line.

**Subject:** Directive: Increase in the “Above \$30,000” Threshold Amount for Requiring Contract Awards Committee Review and Recommendation Under the Procurement Contract Rules

Procurement Contract Rules 1.1.2, 4.3.2, and 5.1 provide that all purchases “above \$30,000” must be recommended for approval by the Contract Awards Committee (“CAC”). Since these Rules were established in 2000, the number of procurements within the “above \$30,000” to \$50,000 range requiring CAC review and recommendation has increased and added additional processing time requirements to many procurement requests. Much of the increase is due to inflation. Raising the “above \$30,000” threshold amount for CAC review to “above \$50,000” will help to: (1) streamline and expedite the procurement process for purchases below \$50,000; (2) allow the CAC to focus mainly on the more complex procurements above \$50,000; and (3) allow the moderately priced and less complex procurements to proceed with vigorous procurement oversight by the Secretariat for Administration and Finance and the Office of Procurement Services and without jeopardizing adherence to management objectives laid out in the GS/OAS General Standards and other Financial Rules.

Therefore, by this Directive, the “above \$30,000” threshold amount in the Procurement Contract Rules 1.1.2, 4.3.2, and 5.1 is hereby temporarily suspended and replaced by a threshold amount of “above \$50,000,” pending the completion of a more comprehensive review of the Procurement Contract Rules and their possible amendment by Executive Order.<sup>1</sup>

This Directive does not in any way reduce the requirement that all purchases of goods and printing services of \$30,000 or more must proceed by way of competitive methods under Article 102 of the General Standards and as further defined in Chapter X of the Procurement Contract Rules for these and all other procurement contracts. Moreover, for those procurements not reviewed by the CAC and in which the bid solicitations are made by telephone, e-mail or fax, all responding bids: (i) must be received by way of e-mail or fax clearly identifying the name, telephone number, address, and fax or e-mail of the responding supplier; (ii) must be summarized on a permanent record signed by the person(s) authorized to receive them for the General Secretariat; and (iii) must be made part of the supporting documents for the resulting purchase order issued by the Office of Procurement Services.

This Directive shall enter into force upon the date printed above.

---

<sup>1</sup> Upon issuance of the Directive, the CAC Guidelines for the Bidding and Evaluation Process (established by the CAC on November 1, 2004) will be also modified to reflect the increased threshold to \$50,000.