



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

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**Special Attention of:**  
Office of Native American Program  
Administrators  
Tribes  
Tribally Designated Housing Entities  
Indian Housing Authorities

**Notice PIH 2026-08**

**Issued:** March 27, 2026

**Expires:** The notice remains in effect until amended, superseded, or rescinded.

**Supersedes:** Notice PIH 2023-01

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**Subject: Recent Changes to the Federal Micro-Purchase, Simplified Acquisition, and Single Audit Act Thresholds and New Streamlined Procurement Requirements**

**I. PURPOSE**

This notice provides guidance to Tribes and Tribally Designated Housing Entities (TDHEs) on how to follow the applicable procurement rules in [2 CFR Part 200](#), which covers administrative requirements, cost principles, and audit rules for Federal funding.

This notice provides an overview of recent changes to the micro-purchase and simplified acquisition thresholds used to determine the appropriate method of procurement that must be followed by a Tribe or TDHE when purchasing goods and services. It also highlights procurement-related changes made to 2 CFR Part 200 that went into effect on October 1, 2024, to streamline program requirements.

This notice applies to the Indian Housing Block Grant (IHBG), Native Hawaiian Housing Block Grant (NHHBG), Tribal Housing and Urban Development-Veterans Affairs Supportive Housing (Tribal HUD-VASH), and Indian Community Development Block Grant (ICDBG) programs.

**II. BACKGROUND**

Tribal grant programs including IHBG, Tribal HUD-VASH, ICDBG, and NHHBG are subject to government-wide procurement requirements outlined in [2 CFR Part 200](#). These regulations outline threshold standards that help Tribes and TDHEs determine the procurement method they must use to purchase goods and services with grant funds. [2 CFR 200.1](#) defines the terms “micro-purchase threshold” and “simplified acquisition threshold” by cross-referencing the thresholds in the Federal Acquisition Regulation (FAR). The FAR is periodically adjusted for inflation. Accordingly, the micro-purchase and simplified acquisition thresholds that govern the IHBG, ICDBG, and NHHBG programs change from time to time with the corresponding FAR thresholds.

On August 27, 2025, Federal Register notice, *Federal Acquisition Regulation: Inflation Adjustment of Acquisition-Related Thresholds*, raised these thresholds ([90 FR 41872](#)). Effective October 1, 2025:

- The micro-purchase threshold increased from \$10,000 to **\$15,000**.
- The simplified acquisition threshold increased from \$250,000 to **\$350,000**.

Separately, 2 CFR Part 200 was amended to further streamline grant program requirements across Federal grant programs and reduce administrative burdens for Tribes and TDHEs. Effective October 1, 2024:

- The Single Audit Act threshold was raised from \$750,000 to **\$1,000,000**.
- The procurement standards applicable to Tribes were streamlined to allow more flexibilities, including the authority to adopt their own procurement standards, similar to States.

Tribal programs should revise their procurement policies and ensure staff are trained on the new limits to maintain compliance and to take advantage of these new flexibilities.

### III. PURCHASE THRESHOLDS

The micro-purchase threshold and simplified acquisition threshold are dollar limits that determine which purchasing rules a Tribe or TDHE must follow. Depending on the purchase amount, an organization may use informal methods (micro-purchases or simplified acquisitions), formal methods (sealed bids or proposals), or noncompetitive methods ([2 CFR 200.320](#)). See additional purchase threshold guidance for IHBG at [24 CFR 1000.52](#) and for ICDBG at [24 CFR 1003.510\(d\)\(3\)](#).

#### A. Micro-Purchase Threshold (Revised)

Section [2 CFR 200.320\(a\)\(1\)](#) permits Tribes and TDHEs to establish a micro-purchase threshold under which grantees may buy goods or services without competitive quotes, if the price is reasonable. No competitive quotes are required if the Tribe or TDHE decides the price is reasonable based on research, past purchases, experience, or other information and keeps the supporting documents in its files.

The micro-purchase threshold is currently set at **\$15,000**. Grantees must document that purchases are below this limit and, when possible, spread micro-purchases fairly among qualified vendors. For more details on micro-purchases, see [2 CFR §§ 200.1](#) and [200.320\(a\)](#).

A Tribe or TDHE may self-certify a higher micro-purchase threshold up to **\$50,000** each year ([2 CFR 200.320\(a\)\(1\)\(iv\)](#)). The self-certification must include justification, clear identification of the threshold, and supporting documentation of any of the following:

- A qualification as a low-risk auditee, in accordance with the criteria in [§ 200.520](#) for the most recent audit;
- An annual internal institutional risk assessment (see below for instructions) to identify, mitigate, and manage financial risks; or
- For public institutions, a higher threshold is consistent with State law.

To conduct an internal institutional risk assessment that supports a threshold increase up to \$50,000, Tribes and TDHEs must use and maintain the following recipient versions of the Office of Native American Program's (ONAP's) Monitoring Plans:

- Financial and Fiscal Management Monitoring Plan (Appendix A)
- Internal Controls Monitoring Plan (Appendix B)
- Cash Management Monitoring Plan (Appendix C)

The Tribe or TDHE must keep records of its annual self-certification and make them available to ONAP or auditors if requested, in accordance with [2 CFR § 200.334](#) and [24 CFR § 1000.552](#).

Micro-purchase thresholds above **\$50,000** must be requested in a letter from the Authorized Tribal Official (including a resolution) and approved in writing by ONAP. Tribes and TDHEs must send their [Area ONAP](#) a request that includes the required Self Certification Elements. The higher threshold stays in place unless something changes that affects the original justification—for example, if a later audit shows the Tribe or TDHE is no longer low risk.

#### **B. Simplified Acquisition Threshold (Revised)**

Simplified acquisitions ([2 CFR 200.320\(a\)\(2\)](#)) apply to purchases that are above the micro-purchase threshold but do not exceed **\$350,000**. Tribes and TDHEs must obtain price or rate quotes from enough qualified vendors to ensure a fair price. Each Tribe or TDHE may set its own simplified acquisition threshold based on internal controls, risk assessment, and written procurement procedures, but it cannot exceed the \$350,000 limit.

### **IV. NAHASDA DE MINIMIS PROCUREMENT EXEMPTION**

The Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) de minimis exemption ([25 U.S.C. § 4133\(g\)](#)) is a separate option from a micro-purchase and provides exemption for competitive procurement rules for goods and services valued at less than \$5,000, specifically for activities funded by the IHBG program under NAHASDA. A tribe cannot apply the provisions of 25 U.S.C. § 4133(g) to the ICDBG program.

Tribal preference rules apply to all micro-purchases but do not apply to de minimis procurements. IHBG recipients may continue to use the de minimis procurement

exemption, which allows them to purchase goods or services under \$5,000 with grant funds without following competitive procurement rules.

<b>Purchase Threshold Reference Table</b>		
<b>Dollar Amount</b>	<b>Threshold Type</b>	<b>What It Means/Guidance</b>
\$5,000 and under	De minimis purchase exemption (IHBG only)	No competitive quotes required. Use reasonable purchasing practices and keep documentation. Indian and Tribal preference rules do not apply.
Up to \$15,000	Micro-purchase threshold	May be purchased without competitive quotes if price is reasonable. Indian and Tribal preference rules apply.
\$15,001 - \$50,000	Self-certified higher micro-purchase threshold	Tribes/TDHEs may self-certify a higher micro-purchase limit. Must document the justification. Indian and Tribal preference rules apply.
\$50,001- approved higher micro-purchase threshold (only for Tribes that get HUD approval to raise their micro-purchase threshold)	Micro-purchase threshold increase requires ONAP approval	To use a micro-purchase threshold above \$50,000, you must submit a request letter and receive written approval from ONAP. Indian and Tribal preference rules apply.
Above your approved micro-purchase threshold but less than \$350,000	Simplified acquisition threshold	Must obtain price or rate quotes from an adequate number of qualified sources. Indian and Tribal preference rules apply.
\$350,000 and above	Above simplified acquisition threshold (formal procurement)	Formal procurement methods apply (sealed bids or competitive proposals), including full solicitation requirements. Indian and Tribal preference rules apply.

## **V. PROCUREMENT STANDARDS (REVISED)**

In furtherance of Tribal sovereignty, and consistent with the existing requirements for States, the rules in [2 CFR 200.317](#) were updated effective October 1, 2024, to give Tribes the option to follow their own procurement policies and procedures.

If a Tribe does not have its own policies, it must follow the rules in §§ 200.318-200.327. Even when using their own policies, Tribes must still follow the Federal requirements in [§§ 200.321](#), [200.322](#), [200.323](#), and [200.327](#).

Tribes may exercise the option to follow their own procurement policies and procedures now. HUD intends to publish conforming rule changes for the IHBG and ICDBG to revise the regulations consistent with the procurement standards in 2 CFR Part 200.

## **VI. SINGLE AUDIT (REVISED)**

Tribes and TDHEs must have a Single Audit if their Federal expenditure exceeds **\$1,000,000** in a fiscal year.

*Example:* A Tribe or TDHE receives and manages several Federal grants from different agencies. In Fiscal Year 2025, the Tribe spends the following Federal funds:

<b>Funding Source</b>	<b>Amount</b>
Indian Housing Block Grant (IHBG)	\$400,000
Indian Community Development Block Grant (ICDBG)	\$450,000
Bureau of Indian Affairs – Federal Grant Funding	\$500,000
Department of Labor – Workforce Development Programs	\$150,000
Indian Health Service – Grant Funding	\$800,000
<b>Total Federal Expenditures (FY25)</b>	<b>\$2,300,000</b>

Since the total Federal expenditure exceeds \$1,000,000, the Tribe or TDHE is required to conduct a Single Audit for that fiscal year to comply with the Single Audit Act.

## VII. CONTACT

For additional guidance regarding this notice, contact your [Area ONAP](#).




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**APPENDICES**

Appendix A: Financial and Fiscal Management Monitoring Plan.....A-1

Appendix B: Internal Controls Monitoring Plan.....B-1

Appendix C: Cash Management Monitoring Plan.....C-1