

IMPORTANT NOTICE ABOUT INCREASE IN FORMAL CONTRACT THRESHOLD

Effective with all bids issued after August 1, 2008 the contract threshold for formal contracts will be increased from \$25,000 to \$30,000. This will affect all bidders in the following ways:

- 1) Bid Security will now be required on Supply, Service & Equipment Bids totaling over \$30,000. SS&E Bids that total \$30,000 and under will not require Bid Security.
- 2) The Master Bid Security Program will not be affected. All bidders that have already submitted payment for the Master Bid Security Program for FY09-FY10 (July 1, 2008 through June 30, 2010) will continue to be covered with no increase in fees. For more information on the Master Bid Security Program please go to:

<http://mbec.phila.gov/procurement/forms/masterbidsecurityappli2008.pdf>

- 3) Those bidders who wish to submit individual checks for each bid should refer to the appropriate chart in the Terms & Conditions of Bidding & Contract.
- 4) The threshold for the Bid Submission Fee will also be increased to \$30,000.
- 5) The **SMALL ORDER PURCHASE (SOP)** limit has also been increased to \$30,000. SOPs are issued by the individual Departments and not through Procurement.
- 6) Any questions should be directed to the Public Information Unit at 215-686-4720.