



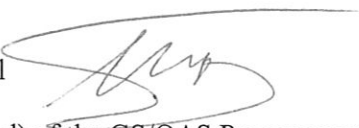
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September 9, 2011

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

From: José Miguel Insulza, Secretary General 

Subject: Modification to the Rule 10.2.2 c) and d) of the GS/OAS Procurement Contract Rules: Increase of the Direct Purchase Threshold from US\$ 1,000 to US\$3,000

The Procurement Contract Rules of the General Secretariat of the Organization of American States (Executive Order No. 00-1 Corr. 1) are hereby amended to reflect an increase in the threshold amounts for direct and small purchases. Paragraphs c. of Section 10.2.2 governing small purchases is increased from a starting figure of \$3,000 to \$6,000 to read as follows:

c. Small Purchases (\$6,000 - \$49,999)

A small purchase is a procurement that has a contract price between \$6,000 and \$49,999, inclusive. For these purchases, a "short list" of vendors should be established, and in most cases the GS/OAS will solicit bids by telephone, E-mail, or fax, from three or more sources on the list. The bidders may submit their bids by fax or mail; however in those instances where: (1) the specifications are complicated; or (2) there are less than three vendors known to the GS/OAS within a two hundred-mile radius of where the goods or services are to be purchased, the GS/OAS shall employ the same procedures utilized for purchases greater than \$50,000. The short list should be updated twice a year.

Likewise, paragraph d of Section 10.2.2 governing purchases under the small purchase amount will change from a top figure of \$3,000 to \$6,000, and direct purchases which were previously those below \$1,000 are amended to include all purchases below \$3,000 to read as follows:

d. Purchases Under \$6,000

Procurements with a contract price between \$3,001 and \$5,999, inclusive, should be solicited by telephone, e-mail, or fax. Three bids should be requested, and the bidders may submit their bids by fax, E-mail, or by mail. All replies should be summarized on a permanent record, which should be signed by the person(s) receiving the bids. (A procurement with a contract price equal or lower than \$3,000 (a direct purchase) does not have to be bid. However, it is incumbent upon the buyer to select the most responsible vendor).

This Directive does not in any way reduce other requirements that all procurements up to \$49,999 should comply with the Procurement Contract Rules.

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