

**FAP 220-10-00
SMALL PURCHASE PROCEDURE FOR CONSTRUCTION SERVICES**

1. A construction service small purchase may be made by an agency if the cost of filling the reasonably foreseen needs of the agency is estimated to be no more than the amounts listed in Table I below.
2. Procurement requirements shall not be parceled, split, divided, or scheduled over a period of time in order to subvert the intent of this procedure. If an agency's projected need for construction services will cost more than what it can purchase under its small purchase limit, the agency shall submit a Purchase Request to the Finance and Administration Cabinet, Division of Engineering and Contract Administration.
3. The Finance and Administration Cabinet, Commonwealth institutions of higher learning, and the legislative branch shall informally seek, from qualified sources of supply, at least one (1) price quote for construction services of \$20,000 or less and at least three (3) price quotations for construction services between \$20,000 and \$40,000.
4. All other agencies shall informally seek, from qualified sources of supply, at least one (1) price quote for construction services of \$3,000 or less and at least three (3) price quotations for construction services between \$3,000 and \$10,000. An agency shall not purchase construction services totaling more than \$10,000 without a delegated higher small purchase authority limit.
5. Quotes may be obtained by telephone, fax, mail, or by posting to the Commonwealth's eProcurement web site. A quotation shall contain, at a minimum, the following:
 - a. Issuing agency address;
 - b. Due date and time of solicitation closing;
 - c. Address to which quotation shall be delivered;
 - d. Description of the product or services to be provided; and
 - e. Solicitation instructions and conditions.
6. An agency shall maintain a small purchase order file containing the price quotations requested and those received, a tabulation of prices offered, and comments by the agency concerning the basis for placing the order. The agency shall retain a file copy of these records for audit and review purposes.

Table I, Basic Construction Service Small Purchase Limits

Type of Purchase	One Quote Solicited	3 or More Quotes Solicited
Construction Services for the Finance and Administration Cabinet, Commonwealth institutions of higher education, and the legislative branch	\$20,000 or Less	\$20,000 to \$40,000
Construction Services for all other state government agencies	\$3,000 or Less	\$3,000 to \$10,000

7. Construction service items otherwise available on Master Agreement (MA) or Catalog Master Agreement (CMA) may be purchased under small purchase authority from another contractor if the

aggregate dollar amount of the total requirement is less than either \$1,000 or the higher amount required for a minimum order in a specific MA or CMA.

8. If a construction or building maintenance service is between an agency's construction services small purchase limit and \$40,000, an agency may solicit the service through a Master Agreement or Award/Contract in the state's procurement system, if a Solicitation is posted to the Commonwealth's eProcurement web site. The agency shall forward the electronic procurement document to the director of the Division of Engineering and Contract Administration for approval prior to the purchase of the services.
9. The secretary of the Finance and Administration Cabinet may grant to a state agency, with a justifiable need, the delegated authority to purchase specific items whose costs frequently exceed the agency's small purchase limit provided in KRS 45A.100(1).
 - a. The Division of Engineering and Contract Administration and the Office of Policy and Audit may perform periodic procurement audits of agencies for compliance with the provisions of KRS Chapter 45A and the Finance and Administration Cabinet Manual of Policies and Procedures. If an agency demonstrates deficiencies in procurement expertise or practice, the Division of Engineering and Contract Administration shall recommend that the secretary revoke or amend any delegations granted.
 - b. Agencies granted a higher delegated small purchase limit shall request the number of price quotations indicated in Table II, unless the secretary's delegation specifies an alternate table or number.

Table II, Construction Services Quotes Required for Agencies with Higher Delegated Construction Small Purchase Authority

Delegated Agency Construction Small Purchase Limit	One Quote Request	*At Least Three Quote Requests If Between
\$15,000	\$5,000 or less	\$5,000 to \$15,000
\$20,000	\$10,000 or less	\$10,000 to \$20,000
\$40,000	\$20,000 or less	\$20,000 to \$40,000

*The posting of a request for quotes on the Commonwealth's eProcurement web site will satisfy the quote solicitation requirements.