

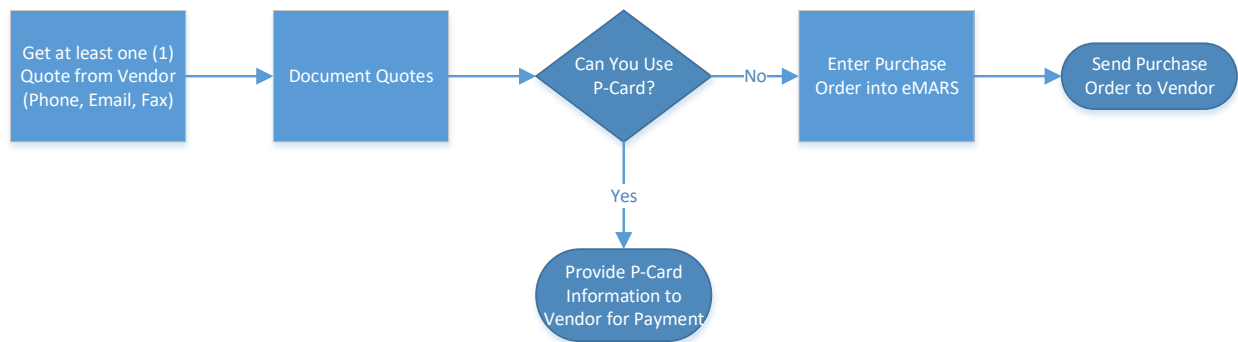
2.5.4 SMALL PURCHASE AUTHORITY

In accordance with authority granted directly to the agency in KRS 45A.100, an agency may be delegated direct purchase authority by the Secretary of the Finance and Administration Cabinet to execute purchases up to \$20,000 in total value. Once an agency has determined that it is operating within its authority to complete a procurement, it may proceed using Small Purchase Authority processes outlined in the table below, and detailed in the sections following. A SPR may be required depending on the good or service an agency is procuring.

SMALL PURCHASE AUTHORITY FOR GOODS

Small Purchase Delegated Authority Limit	One Quote Required for Purchase Equal or Less Than	At Least Three Quotes Requested Or Posted to eProcurement Website Equal or Less Than
<ul style="list-style-type: none"> \$1,000 	\$1,000 (See 2.5.4.1)	N/A
<ul style="list-style-type: none"> \$10,000 	\$5,000 (See 2.5.4.1)	\$10,000 (See 2.5.4.2)
<ul style="list-style-type: none"> \$20,000 	\$5,000 (See 2.5.4.1)	\$20,000 (See 2.5.4.2)

2.5.4.1 ONE QUOTE SMALL PURCHASES



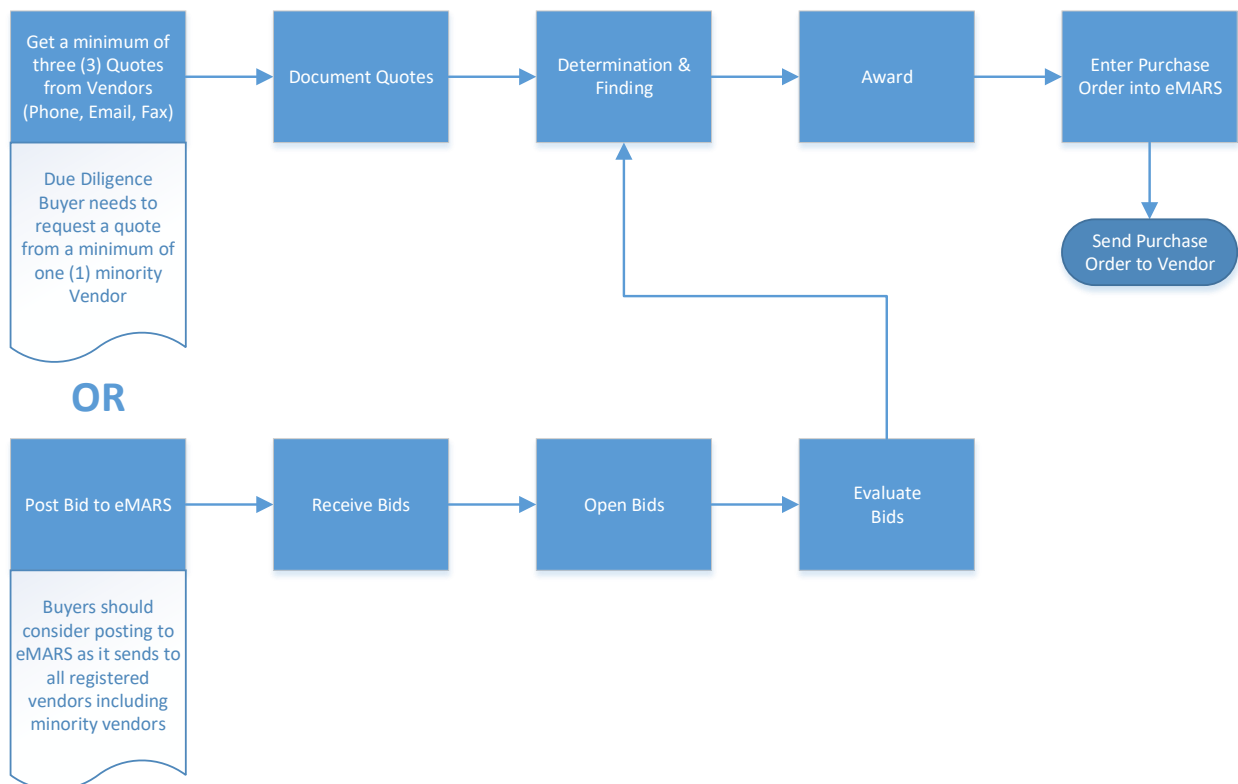
For purchases that fall within the agency’s one-quote Small Purchase Authority, the agency will obtain a minimum of one (1) quotation. Quotes may be obtained by telephone, email, fax, or by posting a solicitation to the Commonwealth’s eProcurement web site (preferred method).

The agency seeking the quotes will maintain a small purchase order file containing the Request for Quote (RFQ) and quotations received. The agency must retain these records for audit and review purposes. Although agencies are only required to seek one (1) quotation, agencies should seek to acquire quotations from as many viable sources as possible to ensure the best price is obtained and maximum competition is generated.

After the agency evaluates the quotes, they should consider whether the vendor will accept and can be paid in accordance with guidelines for the State Procurement Card (ProCard) and within the agency's ProCard limit. If so, the agency should provide the ProCard information to vendor as payment for the small purchase. If not, the purchasing officer will need to enter the Purchase Order in eMARS, and after proper approvals have been received in the system, forward the approved Purchase Order to the Vendor for processing. All applicable authorizations must be attached to the eMARS document including the approved SPR1 and the Required Affidavit for Bidders, Offerors, and Contractors.

For purchases exceeding the agency's small purchase authority, the agency must submit a requisition.

2.5.4.2 THREE QUOTE SMALL PURCHASES



For purchases that are within the agencies 3-quote Small Purchase Authority, the agency will obtain a minimum of three (3) quotations and must seek a quote from one (1) ethnic minority vendor. Quotes may be obtained by telephone, fax, or by posting a solicitation to the Commonwealth's eProcurement web site. Agencies are encouraged to post their bid to Commonwealth's eProcurement web site as it

allows them to meet all requirements with a single posting and does not require special processing to identify a minority vendor.

The agency will maintain a small purchase order file containing the price quotations requested, quotations received, and a tabulation of prices offered. After the tabulation is complete, the agency shall identify the residency of each bidder. If applicable, purchasing officer shall apply the Kentucky Resident Bidder Reciprocal Preference per 200 KAR 5:400. Once the purchasing officer evaluates the bids, they will document the determination of award utilizing the Determination & Finding Template, and file it with the procurement file, documenting the basis for placing the order with the chosen vendor. The agency will retain these records for audit and review purposes. Although agencies are only required to seek three (3) quotations, agencies should seek to acquire quotations from as many viable sources as possible to ensure the best price is obtained and maximum competition is generated.

After the agency has completed their Determination and Finding, the purchasing officer will complete the Purchase Order in eMARS, and after proper approvals have been received in the system, forward the approved Purchase Order to the Vendor for processing.

2.5.4.3 SMALL PURCHASES FOR NON-PROFESSIONAL SERVICES

If a non-professional service is less than \$20,000 annually, any agency may solicit services according to Section 2.5.4.2 Three Quote Small Purchase process. The agreement may contain one renewal option but may not exceed \$20,000 in the second year. Agencies may refer to FAP 111-55-00-05. Agencies shall attach all supporting documentation including the tabulation of quotations received, award justification and the Required Affidavit for Bidders, Offerors, and Contractors. Agencies must comply with Minority Owned Business Procurement process.

Non-professional services are such services as janitorial services, snow removal, and lawn maintenance. Contact your OPS agency liaison to determine if a service is a non-professional service.

SMALL PURCHASE AUTHORITY FOR NON-PROFESSIONAL SERVICES

Small Purchase Delegated Authority Limit	One Quote Required for Purchase Equal or Less Than	At Least Three Quotes Requested Or Posted to eProcurement Website Equal or Less Than
<ul style="list-style-type: none"> • \$1,000 	<p>\$1,000 (See 2.5.4.1)</p>	<p>\$20,000 (See 2.5.4.2)</p>
<ul style="list-style-type: none"> • \$10,000 	<p>\$5,000 (See 2.5.4.1)</p>	<p>\$20,000 (See 2.5.4.2)</p>
<ul style="list-style-type: none"> • \$20,000 	<p>\$5,000 (See 2.5.4.1)</p>	<p>\$20,000 (See 2.5.4.2)</p>

2.5.4.4 SMALL PURCHASES ABOVE DELEGATED AUTHORITY

Agencies seeking to perform a small purchase exceeding their delegated small purchase authority will complete and submit the appropriate requisition in eMARS, attach their documented specifications, and suggested vendors. OPS has a Small Purchase Authority of \$40,000. OPS will work with the agency to complete their purchase within the OPS authority. Agencies should refer to FAP 111-38-00 for information regarding requisition preparation and development.