

SMALL PURCHASE PROCEDURE FOR CONSTRUCTION SERVICES

1. A construction-related 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.
 - a. The FAC, the Legislative Branch and institutions of higher learning shall obtain, 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.
 - b. All other state agencies shall obtain, 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.

**Table I
Basic Construction-Related Small Purchase Limits**

If the Type of Purchase is:	Then one (1) quote is required for purchases equal to or less than:	Then at least three (3) quotes are required for purchases for these amounts:
Construction Services for the FAC, 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

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 Requisition to DECA.
3. Quotes may be obtained by mail, facsimile, electronic mail, or by posting the request to the state's eProcurement web site. A quotation shall contain the minimum specifications:
 - 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.
4. 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.
5. **Master Agreement (MA) Items:** Construction service items available on a MA may be purchased under small purchase authority from another contractor. Agencies finding a comparable item at a lower price than what is listed on the MA shall contact the contract's buyer for review and discussion with the vendor holding the MA. Procurement requirements shall not be parceled, split, divided or scheduled over a period of time in order to subvert the intent of this procedure.

6. **Procedure for Construction Services for Agencies with Small Purchase Limits Less than \$40,000:** If a construction or building maintenance service is more than an agency's construction services small purchase limit but is less than \$40,000, an agency may solicit the service through the state's eProcurement system, if a Solicitation is posted to the state's eProcurement web site. The agency shall forward the Requisition to the director of the DECA for approval prior to the purchase of the services.
7. The secretary of the FAC may grant to a state agency, with a justifiable need, the limited delegated authority to purchase specific items whose costs frequently exceed the agency's small purchase limit provided in KRS 45A.100(1), in accordance with 200 KAR 5:302. 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

If the Delegated Agency Construction Small Purchase Limit is:	Then one (1) quote is required for purchases equal to or less than:	*Then at least three (3) quotes are required for purchases for these amounts;
\$15,000	\$5,000	\$5,000 to \$15,000
\$20,000	\$10,000	\$10,000 to \$20,000
\$40,000	\$20,000	\$20,000 to \$40,000

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

8. DECA 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 FAC Manual of Policies and Procedures. If an agency demonstrates deficiencies in procurement expertise or practice, DECA shall recommend that the Secretary revoke or amend any delegations granted.

Relates to: KRS 45A.100; 200 KAR 5:302